

THE WAY TO ECONOMIC BETTERMENT

OCTOBER 1936



The BRIDGE is the way to economic betterment, a magazine devoted to improving the lot of the average of us who work for a living.

ROY F. BERGENGREN, Editor JANET BUBIER, BRIDGE Tender

(OLD VOLUME XI) VOLUME I

October, 1936

No. 8

IN THIS ISSUE

| I AM FOR ROOSEVELT | • | 2 |
|--|---|----|
| I AM FOR LANDON | ٠ | 3 |
| WHAT IS MY VOTE WORTH? | ٠ | 4 |
| OPPORTUNITY — THIRD PAPER | | 6 |
| THE AMERICAN WORKER IS HONEST James W. Brown | ٠ | 8 |
| WASHINGTON — THE EVERGREEN STATE O. C. Applegate, Jr | ٠ | 10 |
| MORE ABOUT YOU AND A BUDGET | ٠ | 12 |
| RAMBLING 'ROUND — FROM MADISON TO BOSTON TO FARGO | ٠ | 16 |
| THE PLACE OF THE CREDIT UNION | | 18 |
| THE KODAKERS | ٠ | 20 |
| WHAT ABOUT IT? | • | 26 |
| FEDERAL SECTION | | 28 |

Published at Raiffeisen House, Madison, Wisconsin, by the Credit Union National Association

Publications Committee for Cuna

| Claude E, ClarkeOhio | Claude R. OrchardNebraska |
|--------------------------|--------------------------------|
| Thomas W. Doig Wisconsin | Earl Rentfro |
| Edward A. Filene | Hubert M. RhodesNorth Carolina |
| John L. Moore | Edward L. ShanneyMassachusetts |

Copyright 1936 by the CREDIT UNION NATIONAL ASSOCIATION

Single subscription-12 months-\$1.00 RATES-Single Copy-ten cents Single subscription (in lots of ten or more)-fifty cents

Advertising rates on application

Entered as second-class matter March 5, 1936, at the post office at Madison, Wisconsin, under the Act of March 3, 1879. Printed in United States by the Straus Printing Company, Madison, Wisconsin.

The Next Two Steps

— PRESENT PAID CIRCULATION 21,110 —
25,000 BY THANKSGIVING!! » » 50,000 BY NEW YEARS!!



The New, the Bigger, the Better Bridge

IN THIS ISSUE

All aboard for Washington-not D. C., but the great State of Washington where we have lots of fine credit unions and yet where the credit union movement is in its infancy. We owe this fine article to the same Mr. Applegate who gave us the Oregon

story a few months ago.

We complete Senator Ingram's series on
CONSUMER CREDIT. These articles have provoked much thinking among BRIDGE readers (judged by the letters which have come in) and this final article will jolt our complacency somewhat.

Our Managing Director made a speech at the Cooperative League Convention which carefully defines the limitations of the cred-

it union and should be of interest.

But first and foremost we have two very special and valuable contributions from the camps of the battling big league political parties! Right now we are all getting ready to vote—to make use of that most valuable of all our possessions, the right to the franchise e. We take great pleasure in presenting article FROM POSTMASTER GEN-ERAL FARLEY about the PRESIDENT with cogent reasons why he should be re-elected. This is an exclusive article and has a fine picture of the President. For the Re-publican side we turn to the GOOD FRIEND OF THE CREDIT UNION, SEN-ATOR CAPPER OF KANSAS, a life long friend of Governor Landon and therefore well qualified to tell us why the Governor should become President. With this we have a fine picture of the Governor which was a fine picture of the Governor which was taken while he was here in Madison.

Mr. Bergengren contributes an article on the responsibilities of voting, with a reproduction of the famous painting-the Magna Carta-which hangs in the Wisconsin

State Capitol.

There are many short articles—a fine one by National Director Van Sickel on the way and manner of prompting interest in credit union organization and development. Tom Doig's Questions and Answers are better

than ever and they have always been good.

This is an issue designed to meet the weather—cool, crisp, and entertaining.

And What of the Next Issue?

Next month the Executive Committee meets in Boston—back on the home grounds of the Credit Union National Extension Bureau. There will be a complete story of the "doings" in the November BRIDGE.

Bureau. There will be a complete story of the "doings" in the November Bridge.

November is really New England month. Thanksgiving is a New England born and bred holiday—and we are trying to get a good story about Massachusetts and the Massachusetts credit unions for that issue.

We are still hunting for a "short, short story" well adapted to Bridge uses and hope this quest will also be satisfactorily completed by November.

pleted by November.

In that issue we shall have the first part of an important speech by Mr. Filene which is packed with interesting material and is just being released as we go to press. There will be plenty of surprises in the November

On the Virtue of Steadiness!

It's a time to be steady. I was reading an interesting article recently in Collier's about communism in Mexico. The same evening I saw a movie-more of the Spanish revolution where there is sufficient at stake apparently to make fellow countrymen hate bitterly and fight without quarter. There was also "the weekly horrible"-Hitler reviewing endless troops, planes, tanks, artillery and shouting for the annexation of Russia and Mussolini playing at Caesar Augustus.

These tendencies affect us very seriously. There is no place for communism or for fascism in the United States of America. Either system is destructive of the American ideal of democracy, of what we are trying to do with the credit union. No system is basically so friendly to cooperative effort as the American democratic system of institutions "of the people, by the people and for the people."

A dictatorship in the United States, bringing us more absolutely under the control of organized wealth-would be fatal to what we are trying to do. Many ultra conservatives right now would swap American democracy for the form of dictatorship which would wipe out all forms of cooperative effort. By the same token we are as opposed to the common ownership of property. It is our job to get more property for average folks, to increase purchasing power, to prove that Hitler and Stalin are all wrong when they maintain that democracy will not work.

Mr. Filene in a recent speech spoke of the necessity for uniting the moral forces in the world. One thing in this speech particularly impressed me. I quote it: "It wasn't that business was opposed to the abolition of poverty. It was simply that the abolition of poverty seemed a humanitarian, not a business, goal. It was a Sunday job. In business, it was supposed, people concentrated on getting what they could. On Sunday, or after business hours, one might give thought to giving what he could.

"In such a conflict between Sunday and the rest of the week, is it any wonder that Sunday got the worst of it? People often ask what happened to the American Sabbath. One answer is that it was greatly outnumbered. Six days for acquisitiveness. One day for unselfish meditation. Six days for exploitation. One day for listening to the church's teaching concerning the will of Almighty God.

"Six days for an individual, competitive, dog-eat-dog struggle for survival. One day for remembering that we are all brethren, and that the only true principles upon which human life can be effectively organized are the principles of human brotherhood and sympathetic helpfulness.

The time approaches when the happiness of each and every one of us depends on a realization of some of these truths.

In the development of CUNA we constantly encounter this problem. The credit union which is paying too high dividends, which is charging too much for loan protection, which is running for the profit of its directors various selling plans, which, in other words, is trying to apply to the credit union the forms of exploitation which have played havoc so long with our economic system-that is the credit union which will have nothing to do with CUNA

And the happiest achievement of the first year of CUNA is the AA policy of the Cuna Mutual Society-whereby the credit union insures all loan balances and pays for the insurance, giving this great service to the borrower for noth-That—in my judgment after sixteen long years with this great experiment is the most hopeful indication that we are at last getting across the true principle of cooperative effort.

And this great unfolding service of the credit union exists to give working people more money to spend on their legitimate needs and the spending of it is the surest, the safest, the sanest way to ultimate permanent prosperity.

So the Church and all folks interested in credit unions and everyone organized or unorganized in the world who would prevent another World War-who would see this a permanently happier world-it is a time for all such to stand steady. We must organize the spiritual forces of the world.

That is the big job ahead of us!

I Am for ROOSEVELT

by JAMES A. FARLEY



IT WOULD seem to me to be sufficient to say that President Roosevelt should be re-elected on his record. That is the test by which men who have held office can and should be judged and that is the measure that the President's supporters want the voters of the nation, regardless of geographic or sectional lines, to apply.

The record of the Roosevelt Administration is written in the hearts and minds of his countrymen. It has erased most of the scars that were left by the last Republican regime. We are today a people brought back from the very edge of disaster to an economic restoration that did not seem possible when President Roosevelt took office.

The material improvement in the condition of the wage earner, farmer, manufacturer, businessman, investor and capitalist, which has taken place since March, 1933, is the result of the first application of national planning that this country has ever experienced.

President Roosevelt, more than any other chief executive that the United States has ever had, has kept constantly in mind the fact that the acts of the national administration must concern themselves always with the welfare of 125,000,000 persons. He has realized that a prostrate nation could not be revived by catering to privilege and the special interests.

The result has been that East, North. South and West; in the industrial centers and in the agricultural regions; in the metropolitan centers and the small communities the helping hand of the Federal government has been extended so that the people might help themselves.

The result is apparent on every hand. The purchasing power of the whole country has been revived. The credit structure, on which individual and business initiative and growth depend, has been rehabilitated. Idle factories and idle hands have been put to work again. National confidence has been revitalized.

While these things were being done. President Roosevelt accepted on behalf of the national government the task of caring for those who could not by themselves stem the tide of adversity. This was done not by groups or classes, states or sections but nationally. No one can say that the destitute were not cared for, the hungry fed and the homeless sheltered. Moreover, those who needed and wanted work were given it.

We were agreed in 1933 that these things had to be done. We were also agreed, if my memory of those days is correct, that they must be done at any cost. The dazed and frightened industrialists and business leaders who invaded Washington at the beginning of the Roosevelt Administration were concerned with national salvation whatever the price might be.

That investment in America's future has been made, at a cost that need not worry a nation with a national income once more approaching \$60,000,000,000 and national assets running into the hundreds of billions of dollars. We have spent far less on economic reconstruction than we spent on martial destruction

(Continued on page 5)

Within a few days we will be walking up to a booth in some polling place to cast our ballot for the most exalted position in the world—for President of the United States. The BRIDGE takes great pleasure in presenting to its readers two exclusive statements from the high command in both major parties. The case for the Administra-tion is presented by the Hon. James A. Farley, Chairman of the Democratic National Committee, appointed to President Roosevelt's original cabinet to the important portfolio of Post-master General. Mr. Farley has man-aged the postal system with conspicu-ous ability. He is very close to the ous ability. He is very close to the administration and his statement summarizes the case for the Administra-tion in admirable fashion. We are deeply indebted to Postmaster General Farley and to Senator Capper for these very timely contributions to the BRIDGE as we go to press on the eve of the most important presidential election in recent years. It is of great interest to all BRIDGE readers that we have had two Federal credit union laws, one for the District of Columbia sponsored by a Republican Senator, Hon. Arthur Capper, and signed by Republican President Herbert Hoover, and the second—the general Federal and the second—the general rederal credit union law—sponsored by Dem-ocratic Senator Maurice Sheppard and signed by Democratic President Franklin D. Roosevelt. Our cause is non-partisan and we

anticipate cooperation however the

election eventuates



I Am for LANDON

"I CAN VOUCH for Gov. Alf M. Landon of Kansas, Republican nominee for President, to the people of America . . . He has, for example, a real understanding of the important factors in that collection of problems known as the farm problem, and if placed in the White House will lead the way in the formulation and execution of a comprehensive farm program, based on economic and social-not partisan political—lines. . . . I am convinced that one of the great services he can and will render to the country as a whole, will be to bring to an end this era of excessive government spending and excessive borrowing and excessive taxes, and do these things without dispensing with necessary government services, nor denying relief where relief is needed . . . the Republican party promises to promote policies which will bring about an adjustment by which supply will be in line with demand. And it is proposed to do that

I have watched Governor Landon as a young man... I can remember in the spring of 1912 when he was an ardent Bull Mooser. He was interested then in the conservation of national resources; in curbing of monopolies; in fighting for equal opportunities for the ordinary man and woman.

without the regimentation of production

control by the Government itself. . . .

That interest has never flagged. Today it is more intense, perhaps more practical also, than it was in those days of Alf Landon's youth. But the same spirit is there. I will vouch for him . . . to the people of the entire United States. . . . the record of Alf Landon for the past four years . . . is an open book. It is familiar to Kansas. Kansas and Kansans are proud of the Landon record, and have a right to be proud. . . . his outstanding quality is dependability . . . his word is as good as his bond . . . and is backed by common sense; by practical understanding of business and government and life as it has to be lived . . . it is as a practical executive who has made his ideas and ideals work that Governor Landon is best known . . . he believes that the taxpayers are as much entitled to get their money's worth from the expenditure of public funds as he himself is entitled to his money's worth when he spends money from his own pocket. . . .

He does not believe in dispensing with public services that are necessary. He does believe in showing that they are necessary before arrangements are made to purchase them . . . that when a thing is bought arrangements should be made at the time of purchase—which means at the time of expenditure—to pay for it, and to pay for it in cash if at all possible. . . . if the federal government had followed the Landon policies in regard to finances, we would not be worrying so much today over the question: "How is all this going to be paid for, and who is

by SEN. ARTHUR CAPPER



going to pay the bill?" I am supporting Alf Landon because I believe that the United States, and the people of the United States have need of his common sense, his complete integrity, his liberal views, his ability as an executive and his knowledge of government, in the White House . . . the real danger in the pres-

(Continued on page 5)

We are most fortunate to have these extracts from a recent speech by Senator Arthur Capper of Kansas, a life time friend and close political associate of Governor Alf M. Landon of Kansas, Republican nominee for President. It will be recalled that Senator Capper was responsible for the enactment of the Federal credit union law to authorize credit union organization in the District of Columbia. Subsequently he assisted very materially in the enactment of the Federal law. He has credit unions serving employees of his newspapers in Kansas and has long been our very good friend in the credit union movement. The following are extracts from a recent speech in behalf of Governor Landon's candidacy which set forth reasons for his advocacy of the Governor.

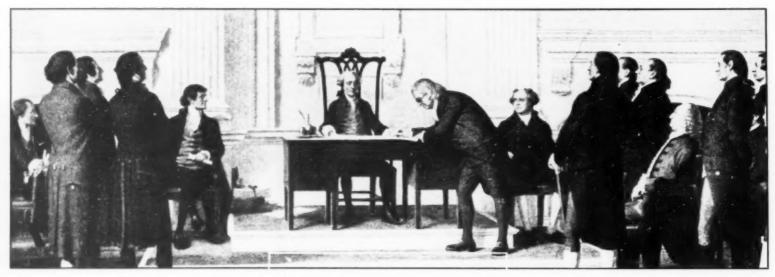
Senator Capper very kindly authorized the editor of the BRIDGE to make extracts from a longer article reducing it to our limitations for space. We have selected those paragraphs which seem to summarize the most potent arguments advanced in this very able address by the distinguished Senior Senator from Governor Landon's home state. We are deeply indebted to both Postmaster General Farley and to Senator Capper for their timely contributions to this issue.

It will be all over by the November BRIDGE. May the result reflect the greatest good to our beloved America.



WHAT IS MY VOTE WORTH?

by ROY F. BERGENGREN



Franklin Signs the Declaration of Independence

SHORTLY, THOSE eligible to vote in the mightiest democracy of the world will, on a day set apart for that purpose, go to the polls to elect a President and other officers of the government of the United States who are chosen by popular vote.

This is the most precious privilege the most valuable possession—of every individual who is entitled to vote.

Each voter will be protected as he marks his ballot by a system which seeks to make him complete master of his own choice. He alone will know for whom he casts his ballot; unless he sees fit to inform his neighbor, the way of his ballotting will be locked up within himself forever.

No one can compel him to vote thus or so; there may be those who will try to influence his choice by proper methods of argument or by highly improper methods of promises and even threats-but in the end-each voter is master of his own will and records it in secret. Just as there has been a long evolutionary process to get him the free ballot, so another long process has gone on to make the counting of the ballot honest. Some of the gravest scandals in history have had to do with the rape of the ballot-the nullifying of the will of the voter by dishonest count. the destruction of ballots, etc. But for the most part-with an exception here and there to prove the rule, particularly in large cities-the improvement in election methods and, for that matter in average human morality (for we get better even though at times the supporting evidence of that assertion seems a bit thin) there will be an honest count of the vote and the result will be a real expression of the will of the majority, so far as it can be expressed under our system.

As regards the presidency, conceivably a candidate might receive a majority in the Electoral College who had failed of a majority of all of the voters, this is, however, a remote possibility. It does remind us that the framers of the Constitution were human and not infallable; they intended a choice of President from the best qualified of the entire citizenship by electors chosen for the purpose by the voters of the various States.

The choice of Washington was, of course, a foregone conclusion; but otherwise, almost from the beginning, the Electoral College lost all significance as a body with any power of selection. The people at the polls decide who they want for President and the electors register their will. Yet a careful reading of Section 3 of Article II of the Constitution clearly indicates how to the contrary was the will of the forefathers. They simply failed to take human nature into account.

In addition, there were many early property qualifications as to the voting and the free extension of the ballot to all male citizens of twenty-one years of age and better came about in a slow, evolutionary way. There were other imperfections in the Constitution, however much a frank recognition of that fact may shock some rugged individualists. The ·Constitution recognized human slavery although an attempt was made to abolish slavery at the Constitutional Convention. This unhappy postponement took one of the longest, bloodiest civil wars in history to rectify. Out of that war came some rights to the franchise for colored men, but many other years had to pass and another long struggle had to eventuate in victory before the ballot, having been extended to all males white and black, was opened to white and colored women.

One thing is certain. Your vote is your most priceless possession. Human lives without number, treasure without stint, years of evolutionary political thinking interrupted by revolutions when the process advanced too slowly, wars—every possible form of human sacrifice has gone into the business of making it possible for Mr. and Mrs. Everyman to cast their respective votes in November. It is, therefore, not only your duty but your pleasure and high privilege to be expressed in grateful recognition of what the ages have done for you—to cast your vote.

You do it unafraid.

You do it uninfluenced by bad thinking and, to the best of your conscientious ability, with the single thought of serving your country to your best ability; then and only then have you proved yourself worthy of the right of franchise.

Volumes could be written about the use of the ballot and the world history interwoven with this right which you now enjoy. We in America owe mostly to England the tradition of a parliament elected by the people. Edmund Burke, the English statesman, for example, said of Magna Carta (exacted by the barons from King John at Runnimede in June 1215): "Magna Carta, if it did not give us originally the House of Commons, gave us at least a House of Commons of weight and consequence." Many regard Magna Carta as giving equal rights to all Englishmen which is probably an over-estimate, but it is certain that this war of the barons against King John was one of many of the steps (and a most important one) leading up to your right to express your free and untrammeled will in the selection of your own Congress. And the American Revolution was inspired at least in part by the determined will of a relatively small minority of the citizens of the English colonies in America that they would not submit to taxation imposed by a Parliament to which they elected no representatives.

The word "ballot" is doubtless from

the Italian "ballotta," meaning "ball," and the word originated from the use of a little ball dropped according to choice in the right receptacle to express the will of the voter. In ancient Athens, for example, the dicasts or judges, in giving their verdicts, generally used balls of stone or metal. Those pierced in the center or black in color meant "condemnation"; those white or unpierced meant "acquittal" and early voting was primarily on this issue of guilt or innocence.

At Rome the ballot was introduced by the comitia under a law written in 139 B. C. which had to do with the election of magistrates.

In Great Britain the ballot was suggested for use in parliament by a political tract of the time of Charles II and was actually used by the Scottish Parliament of 1662.

The first elections in America were viva voce but by 1775 ballots were in use

in the New England States, in Pennsylvania, Delaware and North and South Carolina. In the Constitution the qualifications for voting were left to the individual states. By the 15th Amendment (proclaimed March 30, 1870) it was established that "the right of the citizen of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color or previous condition of servitude."

That ended one long debate about the right of franchise but meantime another one was brewing. This involved extending the vote to women. Wyoming was the first State to extend the suffrage in 1869. In 1893 Colorado opened the franchise to women. Several States followed, and in 1917 New York, by a large majority, extended full suffrage to women. On May 21, 1919, the House of Representatives, and on the following June 4, the Senate, submitted a proposed Constitutional

amendment giving votes to women, which amendment was finally ratified and was proclaimed on August 26, 1920.

When you vote, therefore, think of that privilege as a priceless heritage which has come to you out of the distant past, battling every step of the way, the journey marked by wars and revolutions. Remember that the lives of great men and of great women have been dedicated effectively to this long struggle. Think of your ballot as your own—a right which cannot be taken away from you—a sacred privilege which you can only honestly enjoy as you cast it bound by the most strict conscientious scruples—to do your duty as you see it to the great Republic.

Democracy is being challenged again by the principle of dictatorship. It is the indictment of the Hitlers and the Mussolinis that there can be no democracy which is either honest or efficient.

You must answer that for America.



King John Signing the Magna Carta

I Am for Roosevelt

(Continued from page 2)

during the World War and there was never a time during those hostilities when we were as near disintegration from fright and panic as we were in the first three months of 1933.

It would be possible to detail item by item what has been done beginning with the repair of the banking structure and going on to the agreement for monetary stabilization to which the United States is now a party. It would, however, require far more space than I have been allotted here to do so.

Accomplishment and fulfillment of a gigantic task need no explanation. They speak for themselves and in this instance they can be substantiated by the testimony of millions who know that President Roosevelt has done what he set out to do:

Save America.

I Am for Landon

(Continued from page 3)

ent administration lies in the tremendous powers being given and proposed to be given to the federal government . . .

I want to see the next Congress again exercise the authority and powers which the Constitution of the United States confers upon it . . . I contrast the promises of the Democratic orators of four years ago with their performances. They promised reductions of 25 percent in the cost of federal government . . . for the fiscal year 1934 they increased federal expenditures 38%-1935 an increase of 43%-1936 an increase of 72% over the spendings of 1932 . . . in 1932 the federal government spent \$5,153,645,000. and in 1936 \$8,879,798,000 . . . The record made by this administration, the record of extravagance, of waste, of deficits, is sufficient to justify a vote for Landon and the Republican ticket in November.

I Am for Uncle Sam

As we approach the election each and everyone of us, however we may vote, should unite on one candidate and make his election unanimous. We are all for Uncle Sam! For Uncle Sam is the symbol of a great country. He is the hope of the downtrodden of the world. His institutions are the aspiration of confused nations everywhere. With communism and fascism sweeping the world. with old moorings lost and with old ideals shattered, Uncle Sam stands strong and serene; he is Democracy. He is the personification of human rights. He holds the fort for the principle of free human institutions. Whoever is elected, America will remain free and will go courageously forward to perfect her democratic institutions. We will go forward shoulder to shoulder-the loyal subjects-of Uncle Sam.

OPPORTUNITY

in the

Consumer Credit Field

by G. ERLE INGRAM

This is the final article of a series of articles by G. Erle Ingram, Wisconsin State Senator and economist and student of consumer credit problems. It will be recalled that his first article had to do with the general problem and that in it he pointed out that seven billions of dollars of consumer credit are needed annually in the United States and that on most of it the consumer pays a too high interest charge. His second article went into detail as regards various credit agencies available for the average consumer leading up to this final article which starts with a definition of "loan shark" and then completes the series by an exposition of the place of the credit union in the consumer credit field. We are greatly indebted to Senator Ingram for these illuminating and most valuable articles. One phase of economic reconstruction—the most important present phase-has to do with the immediate problem of getting more buying power out of what money we have. When we understand these wastes of buying power described in Senator Ingram's articles we are in position to take definite action that these wastes may be eliminated.

-EDITOR.



This cartoon (which appeared in the first issue of the original BRIDGE, June, 1934) was the first cartoon ever drawn having the credit union as its subject. It is by Macauley, the famous cartoonist of a quarter century ago. The original hangs in Raiffeisen House. It is particularly appropriate as Senator Ingram discusses loan sharks and credit unions in this final installment of his article on Consumer Credit.

What Is A Loan Shark?

At this point I should like to clear up a somewhat perplexing matter, or rather a misunderstanding in many people's minds regarding the term "Loan Sharks." Loose statements under which legitimate finance and loan companies are often called "Loan Sharks" are entirely too prevalent. Properly speaking, a "Loan Shark" is an unlicensed lender operating best where there is no loan or usury regulations. Like a lone wolf the Loan Shark operates in the secrecy of his chambers. Being without the protection of the law he leaves no incriminating evidence.

On the contrary, his loan operations are reduced to the smallest available space and carried upon his person. We do not have to guess at the operations of the unlicensed lender. When legitimate companies under state regulation enter the field, he ordinarily leaves for more fertile grounds. We are told, however, that unlicensed lending groups or loan sharks operating in 8 states with a capital investment of 125 millions were able to gross in a single year on this investment, 750 millions.

For many years the fountain head of one of these large loan shark chains was maintained in Wisconsin. It is still here, but due to regulation and the licensing of loan and finance companies, its operations here have practically ceased. According to testimony taken in a recent case, however, and from admissions made under oath by those who were actually engaged in the loan shark business of unlicensed lending, the interest rates actually extracted from the poor borrower began at a minimum of 200%, with an ordinary range of 400%, and quite frequently equaled 700%. An impartial survey of any field, where legitimate consumer credit for various reasons is not available, will show that the average interest charge for small consumer credit loans will range from 18% to 20% or more per month.

I am calling your attention to this fact in passing for two reasons: First, that you may properly differentiate between the legitimate finance and loan company and the unlicensed lender or loan shark. And Second: to impress upon your minds the fact that consumer credit is such a necessity in this state and country that if such credit is not made available, the need is so great people will have recourse to the loan shark for relief and will actually pay from 200% to 700% in order to secure money for necessitous purposes.

Relation of the Credit Union to the Problem

Having told you something about the amount of consumer credit and the agencies handling same in Wisconsin, I wish to speak further about the relationship of credit unions to the entire field of consumer credit. We have approximately a population of 2,900,000 in this state. Considering the heads of the family as borrowers, and assuming the average fam-

ily consists of 5 members, we have 580,000 families within the state of Wisconsin who are potential recipients of credit. Assuming that only 15% of our borrowing public have bank credit, we find that there remain 493,000 family heads. Approximately 14% of this remainder will not use credit or will pay cash, leaving a total field of 425,000 in the state of Wisconsin who, during the year, contract in some form or another for the advancement of some form of consumer credit. 425,000 individuals, therefore, using 150 millions of dollars of credit means that the average amount advanced to the average borrowing consumer individual in this state annually, approximates \$358.00.

What Credit Unions Must Appreciate

I do not wish to disparage in any way the work of the credit union. I am a firm believer in consumer credit and I am particularly imbued with the great cooperative credit movement of the credit union. They have done a wonderful work, and I know they will continue to do so, but I want to offer a comparison to show you that they are just beginning to fill a place in consumer credit operations. During the past few months I have talked with many credit union people regarding the amount of necessitous loans which different credit unions were advancing. I have often heard it said that the saturation point was reached and that no more credit union necessitous loans were avail-

able. Let me state emphatically that they are very much mistaken in this regard; reached the saturation point;—why they are not more than slightly damp.

Take the actual number of borrowing credit union members in Wisconsin in 1935; 26,000 loaning members. I am giving you the advantage of the vast membership of 21,000 who did not borrow but were members of your credit unions. A certain proportion of these certainly availed themselves of consumer credit facilities during the year, but let us take only your 26,000 members. I will give you credit and assume that the remainder of your members did not borrow. You advanced, during the year to these 26,000 members, 31/2 millions of dollars, and therefore your advance per individual in the state amounted to \$135.00. The actual average loan per borrowing individual amounted to \$358.00, or in other words, the actual necessitous loans made by credit unions in this state were \$223.00 per loan below the average consumer credit requirement of the average consumer credit borrower in the state of Wisconsin for 1935. Are we to assume that the consumer borrowers from the credit unions did not enter into consumer transactions to the same extent as other individuals? I believe we can make no such assumption. The borrowing members of the credit unions are but an average cross section of the Wisconsin borrowing public.

On the other hand, therefore, we must assume that the credit union borrower in addition to the amount of \$135.00, borrowed from his credit union, also borrowed or had credit advanced to him from other consumer credit agencies in this state for the purpose of purchasing automobiles, radios, washing machines, refrigerators, coal, clothing, paying the doctor, funeral expenses, or other necessities of life, the further sum of \$223.00.

Had the credit unions of Wisconsin during 1935 advanced their proportionate amount of consumer credit, you would have loaned instead of 3 millions of dollars, more than 9 millions of dollars.

Certainly, therefore, you have not reached any saturation point, for you have not as yet absorbed or taken care of the proportionate consumer credit needs of your own members.

Had you done so, a vast savings would have been made by them. Furthermore, you must not lose sight of the fact that all consumer credit agencies, including cooperative credit such as yours, makes for greater credit facilities, and therefore increases the total consumption loans. Some two or three years ago I took occasion to write to certain people who had made a study of this particular point. I was surprised to find that in their opinion in fields where there was a strong credit union movement other consumer credit agencies, instead of losing thereby, did a better business in proportion to population than where there were no credit unions. You have no quarrel with other consumer credit agencies. but you should certainly cultivate and develop your own fields and supply their credit requirements.

The Credit Union Future

In viewing the future of credit unions in this state and elsewhere, from the perspective of the entire consumer credit field, I cannot too strongly emphasize the fact that I believe your future depends largely upon your realization of your opportunity and duty in this great field. From my observation of your cooperative credit movement I am of the opinion that in order to fulfill the purposes for which you are created, you must have a realization of certain fundamental things.

Needed Changes in Credit Union Procedure

First. A realization that the purpose of credit unions is to furnish cooperative credit for necessitous loans; to assist the small borrower to pay the doctor, buy coal, washing machines, radios, or other merchandise sold on time which are within his means and necessary to his standard of living.

Second. A realization that in order to secure the best results in any credit union organization, sufficient remuneration must be paid to maintain an efficient personnel. There must be a clear conception of the fact that the handling of small necessitous loans requires time and attention. The purpose of your organization is to give service to borrowers and this service entails much detail.

Someone must be in charge who can contact the members individually in order that his financial affairs may be budgeted and his consumer needs classified. It is of more importance to pay a sufficient sum to your Secretary-Treasurer or whoever is in charge of the individual credit union, in order that he may attend to the details of the business, than it is to pay large dividends to your stockholders, or make large returns upon your capital assets.

Third. A realization that you cannot enter your proper sphere in consumer credit fields until you remove some of the stringent laws regarding loans now on our statute books. These are veritable mill stones and should be removed by legislative enactment. One reason why more loans are not made by credit unions is the restriction in regard to security, particularly in regard to co-signers. Credit unions should loan more upon the character of the individual.

Why should a member of your credit union, in good standing, a reputable citizen, be obliged to humiliate himself by going to two or three of his friends and beg them to sign his note? If one has not the character or the ability to pay back a loan of one or two hundred dollars, then why is he or she made a member of your organization? If he is not a fit risk then ordinarily by the same token he is not a fit subject for membership. The co-signer requirement to your loans, as well as some other restrictions too numerous to mention at this time, should

be made the subject of earnest study to the end that they may be removed or liberalized. This great cooperative credit movement should be advanced by making loans on the basis of character and not so much on the basis of security. During some of the bad years of the depression, I assisted in liquidating several banks, and my experience during that time taught me that the greatest factor in building this country of ours was not security, but the character of its people.

Need for State and National Organization

Fourth. A realization that there must be a strong coherence or unity between credit unions both in a state and national way. This not only from an organization standpoint, but as a matter of economic necessity in filling the needs of the borrower. To this end the 1935 Legislature in the state of Wisconsin, set up the machinery in this state for a Credit Union Finance Corporation or a Credit Union State Central Bank. This State Central Bank was created for the purpose of using surplus funds in one credit union for the benefit of consumer credit needs in another. Surplus funds can be deposited in the State Central Bank and may be loaned by the State Central Bank to other credit unions. I believe the State Central Bank idea should be utilized and carried out in every state of the Union in order that available funds may have a flexibility for the use of credit union needs.

I have tried to outline to you the vast opportunities which are before you and the credit union movement today. By proper effort, proper organization, and a proper conception of the field of consumer credit, you will not lose sight of your objective;—to make more credit available to the masses, thus raising their standards of living and bringing to the common people of this country more abundant life. With this in view you can increase your value to your community, your state and your country many fold.

While your work in the past has been wonderful, with the proper perspective of what you can still accomplish in a movement which affects 85% of our population—those who need credit the most, I am sure your work in the future will have a bearing greater than any of us now realize.

Prosperity demands that the masses must have credit and they must have credit at as reasonable a rate as they can secure it. Agencies in the field which cannot reduce their rate to the point coincident with public necessity as consumer credit operations advance, must fall by the way-side. The field is unlimited. I know you have the willingness to make this great cooperative credit union movement a boone to borrowing humanity. I know that by your concerted efforts along the right lines you will be a great factor in expanding credit to the masses, raising the standards of living, affording employment, and placing our economic welfare upon a sound basis.

I know this movement will not fail, but will carry on.

The American Worker Is Honest

by JAMES W. BROWN

Assistant Treasurer, El Segundo Standard Employees Credit Union

OUR CREDIT UNION celebrated its first birthday this month. Like all anxious parents, the directors and committeemen fretted over the growing infant. but now we are facing the second year with a feeling of assurance.

Why do we have this feeling of confidence? What has happened during the year to give us such encouragement to

go on?

In my mind there is one factor that stands high above all others. It has been the proven integrity of our members. It has been revealed to us that the heart of the American worker is honest, pathetically honest at times, a fact too well known to unscrupulous money lenders. He considers his name to a printed contract as a sacred obligation and month after month he will come into the Credit Union office and pay on the day he promised to pay.

Being new to the loan business the treasurer and credit committee have been apprehensive at times for fear that their emotions were running away with their judgment in approving loans, but it has been gratifying and encouraging to realize that out of three hundred loan applications approved, only one borrower is delinquent in his payments.

The reason why the worker is so houest in paying his credit union loans is an interesting study in itself. No doubt the feeling that the interest rate is fair has a part to do with it, but I believe the greater incentive is the feeling that it is his own organization, something that belongs to himself and his fellow workers. This feeling is indicated by the trust he has in the officers he voted into power. Directors have come into the office with pass books and currency running into hundreds of dollars given them by members to bring to the credit union office. While this unbusiness-like practice is not to be advocated, yet it shows the spirit of the men and the Credit Union. How do the officers react to this? They are drawn from the ranks of the members, just American workers also. With such trust in them, they are falling over backwards to avoid the faintest resemblance of anything dishonest. Credit union officers must be beyond reproach-even more so than Caesar's wife.

This brings up the most important phase of honesty in the credit union movement, the test of which will ultimately make or break it—that is, honesty of purpose. After all, honesty in handling the little engraved pictures of Washington, Lincoln, Hamilton, Jackson, Grant (who remembers the picture on the one hundred dollar bills?) is guaranteed by the insurance bond and the gimlet eyed auditors, but honesty of purpose, no abuse of power, freedom from



ulterior motives, how can we guarantee that?

Deep thinkers in psychology and economics claim that every organization has the inherent seeds of its own breakdown; that on account of the natural growth, concentration of wealth and power will sooner or later pass into the hands of the strongest. Will our hard working, unselfish pioneers be crowded out in time by self seeking "carreerists," leaders with a "promoter" complex mind who will use the credit union for ulterior mo-

Personally I do not think so. The wise provisions in the Credit Union Act of no commissions and that each member be allowed one vote, regardless of the number of shares, is a strong safeguard to prevent the concentration of power. I argued half a day with an auditor who held that the investor with the largest number of shares should control the credit union. Also the sole motive and tradition of the credit union has been built around the idea of help and service. which makes it tough sledding for the careerists in our ranks. The higher he climbs, the harder he must work-not for himself but for others.

To this the cynic will sneer, "Well, what's the use then. Why should I devote my spare time to such a movement when I don't get a cut of the profits? I prefer to sell myself on something that will put me in the big money."

How can we answer this question which will bother us all as we go deeper into the credit union movement? What is the reward for the exalted honesty of purpose demanded in the credit union? The issue cannot be dodged. The executives in the credit unions must make a choice between two careers. The hard working treasurer of a credit union, unless he is a superman, will find it hard to be equally successful in a double career. Even if he has the ability to become a great executive in business and command a high salary, such ability is more urgently needed in the credit union movement, and to his newly awakened social vision it's a choice of giving up leading the children of Israel into the Promised Land to return to the fleshpots of Egypt.

The same struggle has been fought in the human breast since the beginning of time and every man must fight it out for himself. At a Chapter meeting recently I heard a young fellow, one of the keenest credit union leaders in our state. tell about the organization of the credit union at the plant of his company. He said he sat with the committee and as they listened to the enthusiastic organizer, they kept looking at each other with the unspoken question in their eyes, "What was in it for them?" What was in it for him is that he has been eating. drinking, sleeping credit unions ever since and all other things are secondary. There can be no compromise. Whatever the decision is there is a price to pay and a reward to be obtained.

What is the reward of the credit unionist, who consciously or unconsciously is following Mr. Filene's footsteps and

making it a religion?

First, you're traveling with some of the finest men that ever walked the earth: Raiffeisen of Germany, Luzatti of Italy, Proudhon of France, Desjardins of Canada, Filene of the United States. Kagawa of Japan. It ought to be considered a privilege to be a water boy in

such company.

You can always look your fellow worker square in the eye. You do not approach him with honeyed tone and glib phrases to inveigle him to buy your gold bricks. He has learned to trust you and you often have his deep gratitude because you have come to his aid in his darkest moments when his need of a friend was the greatest. Julius Rosenwald says, "All the other pleasures of life seem to wear out, but the pleasure of helping others in distress never does."

All this I believe is something that is worth all the dirty dollars a worker can accumulate in a dubious climb upward to a position where he can profit at the

expense of his fellow worker.

Honesty of purpose has its own rewards, and the Credit Union offers the American worker the one grand opportunity to give expression to his inherent honesty. The credit union founded on the honesty of the worker will live!

If you read nothing else in this issue read this article. It is one of the est contributions we have received to date, not only because it is well writ-ten but because Mr. Brown has hit upon a fundamental truth. union has proved two things beyond possibility of denial; that there are latent capabilities within the rank and file of the people to manage their own money and to do it honestly and efficiently; that the American worker is honest. When the depression started, there were twenty-eight hundred credit unions, operating like banks under the supervision of thirty-eight state banking departments. They came through the depression without invol-untary liquidations, establishing in the process the finest record for honest and efficient management ever established by any form of banking under terms of equivalent economic stress. EDITOR.

Another Slash in Prices of Credit Union Accounting You all know the history of the printing and supply department. It began December 8, 1930, as a de-

It began December 8, 1930, as a department of the Credit Union National Extension Bureau. Mr. Bergengren was Executive Secretary of the Bureau, Miss Gartland his assistant. They appreciated that this supply business was essential for the credit unions and that it would eventually be a part of the National Association. They borrowed \$4000. This was necessary to enable them to carry stock and to give new credit unions long credits.

Time passed. The business grew. Miss Gartland managed it along with many other jobs and it was most difficult at first for the more business the more bills receivable but—the \$4000 was finally repaid and one small machine was installed.

Then came the National Association. We moved to Madison. The business had grown rapidly. The first machine being paid for, another larger machine was installed and we increased the production of form from 30 to 85%.

But other phases of our work pressed hard and so we organized the business as the CUNA Supply Cooperative under the cooperative laws of Wisconsin with the State Leagues as members. Then we employed as Manager a credit union treasurer who had also managed a similar business—Mr. Bert Beales—and we completely reorganized the department. This meant building a print shop and a supply room at Raiffeisen House and installing a new accounting system.

As soon as this had been done we made an arbitrary cut of 10% in the cost of the forms, saving the credit unions \$10,000 a single year in the process.

The next step (and this has all been a most logical process) was the scientific pricing of forms by a Committee appointed by the Executive Committee after careful cost studies (now for the first time possible) had been made by Mr. Beales. Our original debt has been paid, machinery totaling \$5300 had been paid for, enough capital so that we can pay our bills on time had been accumulated, the cost of repairs and of the installation of an efficient place in which to do business and of the new accounting system had been met—and we were ready for the big step.

Cuna Supply Cooperative

Raiffeisen House

Madison - - - - Wisconsin

Not for Charity not for Profit—but, like all CUNA activities—for SERVICE In the November BRIDGE we shall publish a new price list covering each one of the 77 items of accounting forms handled by the CUNA Supply Cooperative. This list will drastically cut the prices on 45 of the forms. On 32 forms (many of them special forms used in relatively small quantities) the prices will remain unchanged. The new price list goes into effect December 1st.

And on all forms—beginning December 1—there will be also an additional reduction of 20% over these new base rates to credit unions affiliated with CUNA.

To illustrate: the present price for withdrawal slips (form 49) is \$1.00 per 1,000 with 10% off to affiliated credit unions or \$0.90 per 1,000 net. The new price will be \$0.80 per 1,000 with 20% off to affiliated members or \$0.64 per 1,000 net—a reduction of \$0.26 per 1,000 or approximately 30%.

To illustrate again: the new price for equipping a new credit union which starts with an equipment for 50 will be \$11.81 (present price \$14.56), and if it affiliates on organization, \$9.45.

Compare this circumstance. We have a copy of a bill rendered to a new credit union for forms for 100 initial members. This credit union was advised to get its accounting forms elsewhere. It paid over \$100 for forms we would have supplied for \$14.74!

Take, for example, deposit slips. Costing affiliated credit unions now \$0.60 per 1,000 with 10% off or \$0.54 per 1,000 net, the new price will be \$0.25 per 1,000 with 20% off or \$0.20 per 1,000 net—a difference of \$0.34 per 1,000 or a cut of 63%!

Other Important Announcements Are On Their Way!

Look for the complete list in the November BRIDGE!

Figure It Up!

Your Credit Union cannot afford not to belong to CUNA!

Figure It Up!

We cut the bond rates in halves!

We cut the cost of borrowers' insurance in halves!

We first cut the cost of forms 10% and NOW-

December first we make an average cut of 25%!

Not for Profit—Not for Charity—But (like the CUNA Mutual Society) for Service!!!!

Cuna Supply Cooperative

Raiffeisen House

Madison, Wisconsin

WASHINGTON the EVERGREEN STATE





NE JUNE DAY in the year 1774. Juan Perez, a Spanish captain, sailing southward on the return from an expedition into the North Pacific, beheld on a distant land to his left a majestic snow clad peak gleaming white above the bluish haze which enveloped its base and

clothed the unknown shores in a veil of mystery. Haste, and possibly fear of savages which might inhabit the region, prevented Perez from making explorations. but he took the bearings of this mountain and noted them in his log, giving to the peak in his entry the name Santa Rosalia. So far as is possible to ascertain, this was the first time a white man ever gazed upon any part of what is now the State of Washington. The mountain sighted by Perez is known today as Mt. Olympus and is in the center of that great area set aside by the government for the pleasare of the American people-Mt. Olympus National Monument. It seems singularly appropriate that the first sight of Washington by a member of our race should have been of one of her magnificent scenic attractions, for of all the great and varied assets which Washing ton possesses, none surpasses her scen-

The year following the visit of Perez, another Spaniard, Heceta, landed a small boat on the coast and six of his men were killed by Indians who desired the metal used in the fittings of the white man's boat. In 1778 Captain Cook, the renowned explorer, on his third and last

voyage coasted along these shores, but even he made no attempt to investigate this unknown land.

The first real exploration of this section remained for Vancouver, the famous Englishman who, in the year 1792, discovered Puget Sound and named many of the points in that region, including Mt. Rainier. In the same year Robert Gray, an American from Boston, discovered Gray's Harbor on the Washington coast, and also was the first to glimpse that long-sought "River of the West," which

Thanks to the gifted pen of Mr. Applegate we are able to present this month another in our series of State sketches, this one having to do with the great State of Washington where we have nearly a hundred credit unions. One of our credit union leaders who has done much work in the State (and who for obvious reasons must be anonymous) describes Washington as "the finest State in the Union." He's probably wrong about it because what makes a State fine is the homeland it constitutes. "Eastwest—home's best"—those words are true words and the theme song of the credit union movement is "We Love the Whole United States." But we are proud of Washington and very happy to present this picture of the State to BRIDGE readers. I find from the reaction to these articles that they are doing what they are being published to accomplish—they are getting our million credit union members acquainted with each other. After all it is the United States of America which is "our own, our native land," and each and every one of us are a part of it and can take honest pride and joy in every inch of it. So—all aboard for Washington and greetings to credit unionists in Washington from the brethren all over the United States!

he named after his ship, the "Columbia." Gray's discovery gave the United States its first claim to the "Oregon Country," as all the land drained by the Columbia River came to be known. The present State of Washington was an integral part of that country, and her history from this time until she was created a state in 1889 was the history of the settlement of this ever-green land by covered wagon over the old Oregon trail. Fort Vancouver, which was the headquarters of the British during the joint occupation of this territory by England and the United States, was located at the site of the present city of Vancouver, Washington, on the northern bank of the Columbia River.

Geographically, as well as economically, Washington is divided into two distinct and quite different areas by the Cascade range, which traverses the state from north to south. West of this massive range and extending across the Puget Sound to the shores of the Pacific, the annual precipitation is quite generous and as a result the greater portion of this area is covered with luxuriant forest growth and is verdant all the year. Here magnificent stands of Douglas firs have furnished the nation with high grade lumber for many years, and at the present rate of consumption will continue to do so for years to come. These trees grow straight and tall, a height of 300 feet being not uncommon. Specimens of these forest giants are often found to be ten feet in diameter at the base, and some are even greater, being surpassed in size only by California's famous redwoods.

The greatest center of Washington's population lies in this area west of the Cascades, for here are located along the

shores of Puget Sound the cities of Seattle and Tacoma, as well as Olympia, the capital of the state, Bellingham and Everett, and other important industrial centers. Within the memory of living man, Seattle has grown from a pioneer settlement of 24 people on the shores of Elliott Bay to a modern and hustling city of nearly 400,000 people. Tacoma likewise has risen from a remote settlement on the edge of the virgin forest to a prosperous manufacturing city of 125,000 people, shipping her products to all parts of the world.

East of the summit of the Cascade range, there is relative less precipitation than in the west, and while some areas are well timbered with pine, larch, fir and other evergreens, a large portion of the country is open, rolling and unforested. Here we find the great wide lands of that famous Inland Empire, of which the modern and hustling city of Spokane is the metropolis. Wheat is the major product of the open, rolling plains, but barley and oats, as well as other grains and farm products of every sort, are distributed through the markets of Spokane. Lumber too has contributed its share to the success of the Inland Empire.

But we cannot leave a discussion of this interesting region without touching upon the many orchards which cluster along the eastern foothills of the Cascade range and contribute to the world the famous red apples for which Washington and its Wenatchee and Yakima Valleys are so famous.

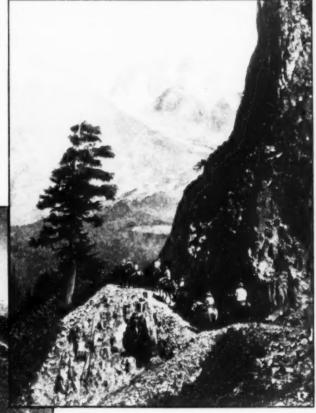
As Washington is a land of varied industries, so is it a land of varied scenery and tourist interest. If one were to attempt to point out Washington's greatest scenic attraction, it would indeed be a most difficult task. For instance, there

is the stupendous Columbia, one of the three largest rivers on the American continent, which rises in its ice fields in the Canadian Rockies and swings southward through the state, then turning westward through its mighty gorge on its journey to the Pacific. Along this water course are being built some of the greatest construction projects ever attempted by man. In Central Washington the Grand Coulee Dam, harnessing the Columbia, has been under construction for about two years, and when completed will be one of the largest in the world. The Bonneville Dam is also under construction many miles down the river. where the Columbia forms the Oregon and Washington boundaries and is a colossal project itself. Along the course of the river, between these two dams, several others have been planned and will probably be constructed in the not distant future. Besides furnishing tremendous hydro-electric energy to run Washington's great industrial plants and to light her rapidly growing cities, these dams will furnish irrigation to put under cultivation many thousands of acres of rich soil in the Inland Empire which only need water to make them productive.

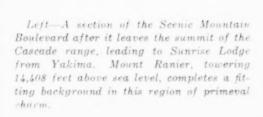
The Columbia River, where it cuts through the Cascade range, provides some of the finest scenery on the American continent, and were one to travel only as far as the Gorge of the Columbia, he might feel that he had seen the Northwest's greatest attraction.

But then there is Mt. Ranier, famous the world over and declared by many enthusiasts to be the greatest mountain in our land, as it stands in its sublimity astride the summit of the lofty Cascades. Mt. Ranier at 14,408 feet is slightly surpassed in elevation by a few mountains in the nation, but no mountain even approaching this height, with the possible exception of Mt. Shasta far to the southward in California, stands so remote from other mountains of its class, and without question Mt. Ranier's slopes carry the finest and most expansive system of glaciers surrounding any single mountain in the United States proper. The translation of the Indian name for Ranier. "The Mountain that was God." expresses perhaps better than we moderns can put in words the impression which Mt. Ranier imparts to all who behold this gorgeous creation of nature for the first time. The United States government has seen fit to create a National Park embracing this mountain and the neighboring country. Roads from several directions now enter the park so that the tourist may view the wondrous mountain from different vantage points. The best known and, up to the present, the most popular entrance to the park is from the

(Continued on page 23)



Top—In the Olympic Mountains—Mt. Olympus National Monument.



More About You and a Budget

BY GEORGE F. FELLER

HAS IT EVER occurred to you that your budget plays a very important part in the SUCCESS and HAPPINESS of your family and of yourself? Perhaps you have not given this much thought, but for a moment, let us consider some interesting facts concerning this very important and vital problem, and also its effect on the happiness and welfare of your family.

In studies which have been made, bearing on the spending habits of people in this country, it has been estimated that from seventy-five percent to ninety percent of the total expenditures of the family are disbursed by women.

Women Manage the Home

In the normal home the man is the wage earner, but the duty of managing the home, including the purchasing of food, clothing, as well as the training of children, and other family generalities, is delegated to the women. They are the principle purchasers of goods, and the principle managers of the money income. The earning and distribution of income therefore, becomes a family problem, with the women in the home becoming a major factor in its smooth functioning and operation. It is here that the BUD-GET, which means the estimating in advance the necessary family expenditures, can help the family manage its problems on a sound financial basis.

The Home is a Business

The Home appears to be a miniature business in itself. This miniature business, collectively, represents a dominant influence in world finance. It cannot function properly unless its INCOME and EXPENDITURES balance to the wellbeing of the family group. There must be close cooperation between the husband, as the earner, the wife, as the disburser, and the children, as participant members of the family group. The family MUST be placed on a sound financial

Necessities vs. Luxuries

Together, the family must be able to differentiate between necessities and luxuries. In other words it must know what it can afford and what it cannot afford. The family's success will be dependent on its efficiency in the division of these expenditures. Its standard of living will be largely dependent on its income and its expenditures for food, shelter, general advancement and savings, according to the general as well as to the personal needs of the family group. Their method implies a financial partnership of the entire family group. It is dependent on the proper emotional and social partnership of the entire family.

What's a "Family Tension"

This thought is substantiated by the work of many sociologists, notably Professor Burgess who has introduced the concept, "Family Tensions," into the analysis of family disorganization. He places economic tensions first in his seven-fold classifications. The importance of economic tensions as a factor in divorce has been studied and reveals that of the various contributing factors, that are causative in cases of desertion, nearly one-half were attributable to financial

The following illustration shows the part that finances play in family disorganization. As treasurer of a growing Credit Union many cases of financial distress have come to my attention. It is my opinion these cases represent a cross section of the average American Family's financial troubles. The following case is typical of many.

A Sad Example

Mr. A. had a good position and some savings when he married about twenty vears ago. The future looked bright. Mr. A. had always kept an account of his expenditures and continued to do this after his marriage. However, these expenditures were never balanced with IN-COME, and they consisted of only a record of his expenditures. Mrs. A. was not extravagant but cooperative. I would consider her an average type of woman.

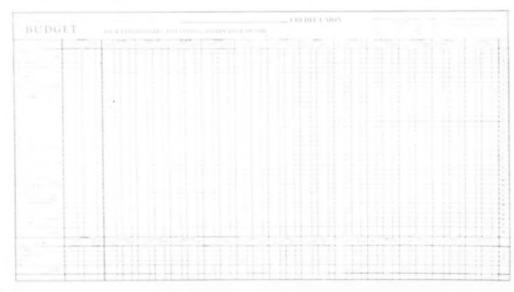
Everything went well until the A.'s began to have unexpected expenditures. These were not unusual; just what the average family would have. They had two children, an average amount of illness, incidental doctor and hospital bills. the average amount of wear and tear in the home, with the necessary amount of replacement, and the average amount of increased expenses incidental to an increasing family. There was no reserve for these expenditures. As a result Mr. A. began to borrow. First, he went to his friends. However, without a remedy for the leaks which were causing this drain on his finances, he was unable to repay his friends and had to resort to loan companies. He applied to legitimate companies and borrowed to the extent of his credit. Still in the same unsound financial position, he was unable to continue with them and was forced to go to loan sharks-the high rate money lenders. This was fatal.

To be forced to pay \$10.00 for a \$20.00 loan for 30 days was financial suicide. He went from one loan shark to another. until finally he was involved with twelve. Being a victim of one loan shark is disastrous, but a victim of a dozen is a catastrophe. Instead of helping himself he was getting deeper and deeper into debt, until he became so enmeshed that he had no credit with the loan sharks and was forced to the pawn shops. The pawn shops took his watch, clothing and personal effects as security for small loans. He owed everyone; he was hounded by his creditors morning, noon and night. Friction had developed at home. This became so marked that there was a break, and the A.'s were divorced. It was at this point that Mr. A. applied to the Credit Union. He was broken in health and spirit. He had lost his interest in life. In his own words, he said. "I can't sleep, think, work or meet the eyes of the public. I am afraid of everyone and of everything. I fear people and at times I hate them. To me the world is nothing but a damnable den of thieves. and I wish that I were dead." We cannot end this story and say "They lived happily ever after." Although the Credit Union restored Mr. A.'s financial status, it did not and could not restore his shat tered home.

In looking back over his life, Mr. A. maintains that lack of systematic planning, or budgeting, was the direct cause of his financial failure and the destruction of his married life.

There Are Thousands Such

Mr. A.'s case is not unusual. There are thousands of families in exactly the same position. Some are not as yet "on the rocks" but are ready to be dashed there with the next family upheaval caused by monetary troubles. Naturally



we must ask ourselves this question, "How can we go about remedying these situations."

From my experience, I maintain that the remedy lies largely in systematic planning, or budgeting of family IN-COME. All members of the family must be included in this plan. Children brought up in a home where this method is in effect will naturally adopt it in their program of living, and it is in this way only that families can live on a sound financial basis. These factors furnish the motive for thrift, security, economic betterment and the formation of good habits for this generation and the generations to come.

The Budget, Nothing But Good Sense

We have been promising for some months to suggest a form of budget.

Budgeteer No. 1 in the Credit Union movement is George Feller of the City and County Employees Credit Union of St. Paul and we have spent a lot of time trying to simplify and improve the budget form which he uses. The more thought we give to it the more we appreciate that Budgeteer No. 1 knows a whole lot more amout this business than we do. As a result of Mr. Feller's articles in earlier issues a great many copies of this budget have been distributed and we now plan to reproduce this budget and add it to our bookkeeping forms as standard equipment.

The purpose of the budget is to put some sense into this business of getting acquainted with your own pocket book.

As noted we are going to stock the budget form reproduced on this page. we shall be glad to quote you prices in quantity (the form will be a part of the standard equipment of the CUNA Supply Cooperative) either with blank spaces at the right places for you to fill in the name of your credit union, etc., or with the name of the credit union and data concerning it printed in.

The job of the credit union is to make it possible for you to get the maximum out of what you have got. We cannot directly do much about increasing your pay check; we can see to it that you get as nearly as possible one hundred cents out of every dollar that you earn.

Let's think of it in terms of a story. A man had three sons and each of them grew up. One wouldn't work but bummed his living off the other two and they got bored with the process after awhile and he finally became a tramp. The second brother got to the point where he earned tifty dollars a week. He was a wasteful sort, spent sixty a week, tied himself up in knots with installment contracts beyond his capacity to meet the payments, gave no thought to the future and was constantly in debt. He was a prize sucker of the 42% money lender and was well known in every loan office in town. He never had a savings account. He never belonged to a credit union, and if his life depended on it, he couldn't have told you where he was at financially. Finally his

A BUDGETTING PROBLEM

UNITED STATES DEPARTMENT OF AGRICULTURE BUREAU OF HOME ECONOMICS

Family of seven1: Proportion of its income this family might spend for food, according to the diet chosen and the size of income.

| Family of Seven With Income of Approximately | | Might Select This Kind of Diet | Coming at Average United States Prices May 7, 19352 | | And Repre- centing this Percentage | |
|--|------------------|--------------------------------|--|----------------|--|--|
| "- r Week | Per Tras | | Per Week | Per Year | Income | |
| \$200 | \$10,000 | Liberal | \$28.00 | \$1.460 | 15 | |
| 175 | 9,000 | Liberal | 28.00 | 1.460 | 16 | |
| 150 | 8,000 | Liberal or moderate-cost | 28.00 or 21.50 | 1.460 or 1.115 | 21 or 16 | |
| 135 | 7,000 | Liberal or moderate-cost | 28.00 or 21.50 | 1.460 or 1.115 | 18 or 14 | |
| 125 | 6,500 | Liberal or moderate-cost | 28.00 or 21.50 | 1.460 or 1.115 | 23 or 17 | |
| 115 | 6,000 | Moderate-cost | 21.50 | 1,115 | 19 | |
| 100 | 5,000 | Moderate-cost | 21.50 | 1,115 | 22 | |
| 75 | 4,000 | Moderate-cost | 21.50 | 1,115 | 28 | |
| 70 | 3,500 | Moderate-cost or mincost | 21.50 or 15.50 | 1,115 or 810 | 32 or 23 | |
| 60 | 3,000 | Minimum-cost | 15.50 | 810 | 27 | |
| 50 | 2,500 | Minimum-cost | 15.50 | 810 | 32 | |
| 40 | 2,000 | Minimum-cost | 15.50 | 810 | 41 | |
| 30 | 1,600 | Minimum-cost | 15.50 | 810 | 51 | |
| 27 | 1,400 | Minimum-cost or restricted | 15.50 or 10.50 | 810 or 545 | 58 or 39 | |
| 23 | 1,200 or less | Restricted | 10.50 | 545 | 45 or mer | |

Two moderately-active adults, girl 15, boy 13, boy 10, girl 8, and child 3. Based on average retail prices in the United States for May 7, 1935, a U. S. Bureau of Labor Statistics.

RSC & MMW 6.26-35

creditors became so numerous and so insistent that his wages were attached and he lost his job; he went into bankruptcy and the last we heard of him he was on relief.

The third brother wasn't as smart as the second brother. He never got up to higher than thirty dollars a week BUThe belonged to a credit union and saved systematically, although at times in very small amounts. When he needed to borrow he used his credit union and the high rate money lenders knew him not. He kept a simple budget so that he would know from time to time where he was at. He could tell you whether or not he was spending more than he was earning and just how much better off he was year by year. True he had to discipline himself. Just as he had learned in his youth that the resulting sensation from placing the palm of the hand on a hot stove was unpleasant and had resolved after trying it once not to do it again-and just as he had discovered that in cold weather it is nice to have an overcoat and that it is good sense to use an umbrella in the rain -so he had learned how to manage his life! He didn't go into bankruptcy. He didn't lose his job; in fact he got a better job because a man's value to any job improves with self discipline and the capacity to first handle his own affairs efficiently. Hs played a man's part; helped other people, gave to worthy causes, owned his own car, had a house to live in and a family to enjoy life with him.

Which of these three, I ask you, had most intelligently solved the problem of life? It seems to me that the answer is simple and we are trying in the BRIDGE to promote budgeting, realizing the amount of discipline involved and an understanding of the installment sales problems and other matters of simple every day economics so that you can get out of the dollar you earn-the maximum use. Later on, after we get this budget business started in good shape, we shall tell you about dime savings in small change banks and of the extraordinary results thereof. For now-NO MATTER HOW DIFFICULT THE DISCIPLINARY PROCESS-LEARN TO KEEP A BUD-GET. If this one is too complicatedstart with an easier one-but start in any event. George Feller, the budgeting credit union pioneer of the City and County Employees Credit Union of St. Paul has kindly consented to answer in the BRIDGE any questions as regards budgeting you may ask and I will guarantee you that if you have never kept a budget -you will save the cost of your BRIDGE subscription every month-or twelve times the cost of it for a year-if you will start budgeting tomorrow!

The Status of Subscriptions

Here's the score again! End of the third quarter and we have scored 21,110 subscriptions. If we make a total of 25,000 before the end of the game, the game ends in a tie; that is, we can probably stagger along through the year. Anything over 25,000 means victory. 50,000 means such a victory that we will be on our road to make the BRIDGE the greatest single asset of the National Association. We must have 25,000 before we can get any advertising. That means we MUST HAVE 4.041 more subscriptions before Thanksgiving. Thanks!

Credit Union Promotional Campaign

by CLIFFORD VAN SICKEL

National Director from Kansas



DIRECTORS WICHITA FCA FEDERAL CREDIT UNION
Seated, left to right—B, P. Jack, Neva Wakeman, William Ratzlaff, National Director Van Sickel. Standing—G. L. Thompson, J. C. Welch, Ernest Fogleman, F. M. Pearl, Jr., C. E. Hoke.

Since the inception of the credit union plan here in the United States, the principle method of informing prospective members of the advantages awaiting them through membership in a credit union has been left almost entirely to those individuals who have already joined. This method, as past records prove, has been more than ample at first and had the credit unions undertaken to solicit additional business, however limited, they would never have been able to meet the demand. Obviously, the first task is to organize credit unions where they will be available to every working man and woman in the land, but the fact remains that very few credit unions have 100 percent membership of all employees who are eligible to join.

We come, therefore, to the point where it is necessary for us to induce people to join for the betterment of their own financial condition. Such inducements should be in the form of an educational movement directed particularly to the more skeptical. Ordinarily such individuals must be shown that systematic savings from their income is the best insurance against financial distress.

One of the sad things about the situation is that so many people who already have this opportunity to become members of the credit union neglect to join—principally because of their lack of knowledge and understanding of the possibilities of this organization as well as their lack of enough foresight to improve their own imancial status.

Officers of the Wichita FCA Federal Credit Union of the Farm Credit Administration of Wichita, Wichita, Kansas, have proved to their own satisfaction that "educational campaigns" have their desirable features. Our situation was similar to that of other credit unions throughout the United States; the demand from members to borrow money was far in excess of the available funds to loan. Then in response to a plea for deposits, the situation was reversed and the bank balance gradually increased to the point where our members were urged to come and borrow the money to refinance their old loans.

This practice has its bad features, in that many individuals who have made a habit of abusing credit see another opportunity of obtaining money, and once the credit is obtained they cause the treasurer some little concern before the loan is collected. As a result, it seems to be our duty to educate.

During a six months period of this year our total subscribed stock was increased from \$9,000.00 to \$13,000.00. Outstanding loans from approximately \$7,000.00 to \$11,000.00, as indicated in the schedules below:

SAVINGS

| Dute | Mem | bers | Amount | Subscribed | |
|---------------|-----|------|------------|-------------|--|
| First Month . | | 448 | \$1,261.70 | \$ 9,239.44 | |
| Second Month | | 456 | 998.94 | 9,981.90 | |
| Third Month . | | 465 | 1,158.49 | 10,639,48 | |
| Fourth Month | | 478 | 1,226.10 | 11,865.58 | |
| Fifth Month . | | 498 | 1,317,80 | 11,983.54 | |
| Sixth Month | | 507 | 1,618.81 | 12,726.19 | |

| Date | Number | Amount | Out- standing |
|----------------|--------|------------|------------------|
| First Month | 26 | \$1,960.00 | \$ 7,378.09 |
| Second Month - | 27 | 1,862.00 | 7,652.99 |
| Third Month | 30 | 1,820.00 | 7,108.61 |
| | | | |

 Second Month
 27
 1,862.00
 7,652.99

 Third Month
 30
 1,820.00
 7,108.61

 Fourth Month
 51
 4,419.50
 9,544.31

 Fifth Month
 35
 3,320.00
 9,678.66

 Sixth Month
 42
 4,110.15
 10,968.29

LOANS

The reason for the sudden increase in business during the second three-months period can be explained by the fact that a so-called "educational campaign" was inaugurated in the middle of the third month. The campaign was built around a contest and consisted of a series of inserts distributed with the pay checks of which these are samples.

Concerning Savings

 Did you know that the credit union has paid a 6% dividend on savings during the year 1935?

2. More than \$20,000.00 has been paid into the credit union by 470 Farm Credit Administration employees—is any part of it under your name?

3. The credit union pays dividends dependent upon its earnings, not interest, on savings of \$5.00 or multiples of \$5.00 for a full calendar month, declared as of December 31 each year.

Concerning Loans

1. Loans totaling nearly \$30,000.00 have been made to 238 Farm Credit Administration employees since we organized—if they can profit by a loan from us, why can't you?

2. If you are contemplating purchases on the installment plan, borrow the money from the credit union and pay cash.

Concerning Interesting Facts

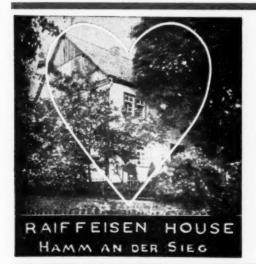
1. Now that June and vacation time is here, why not borrow the money from the credit union and take that trip you have been longing to take these many years.

2. To date 507 of your co-workers have paid the membership fee in the credit union. If they can profit by using the facilities of such an organization, so can you.

At the outset of the campaign each of the employees of the Farm Credit Administration, which consisted of approximately 700, where informed that over a period of ten weeks a contest was to be conducted for a prize of one share of stock (\$5.00) to the individual offering the best slogan apropos to the purpose of the credit union. The slogan to embody words beginning with WFCAFCU, the initials of our credit union.

The slogan "Watch Cash Accumulate Under Federal Credit Financing" was selected from one hundred and thirty-six suggestions as being the most symbolic of our purpose.

It is believed that many persons were given a more comprehensive understanding of the two-fold purpose of the credit union, inasmuch as our membership was increased during the second three-months period more than 27 percent over the first three months. Likewise, the loans were increased 37 percent in number and, to our surprise, over 100 percent in amount.



The Heart of the Credit Union

In this section you will find those items which are designed to assist in credit union organization and operation and the promotion of our common cause



RECENTLY we discussed in approximately this space how to go about organizing a credit union and commented somewhat on the Credit Committee.

Supplementing The August suggestions it seems that there are four essentials to successful credit union operation. Apply these four tests intelligently and you will know whether or not to organize. (1) Have we a group—that is, some folks who have something in common-such as community or neighborhood interests, affiliation with a church, employment within a factory, store, etc.? (2) Is it numerous enough for successful operation? The plan will work well within groups of from fifty up. (3) Do the members of the group need a credit union; that is-do they need to save systematically and have they credit problems from time to time without credit facilities (at normal interest rates) available when needed? The fourth test is most important. Are there within the group one or more members of it who will make the considerable sacrifice of time and intelligent effort necessary to get the credit union going. The treasurer is paid nothing at first. $H\epsilon$ must like the credit union plan. He must be capable of enthusiasm for it. He must make a hobby of it. The success of the credit union depends on three elements: (1) an intelligent, interested and devoted treasurer backed by (2) a board of directors willing to actively cooperate and (3) aided by an intelligent credit committee which is willing first to learn the fundamental principles of credit union credit and then apply these principles. A credit union without a real treasurer is an automobile without a battery; a credit union which has no effective credit committee is an automobile without wheels. The plan. unless the organizers really want the credit union and are ready to work hard for it, stands about as much chance of a successful landing as the gent who took off from a plane a mile high and only remembered to bring his parachute when he tried to open it.

Another pointer: there is no reason why the officers of a new credit union should flounder around, wondering how to do this and to do that. In the first place they can get free from CUNA sim-

ple and effective operating booklets, one for the treasurer (the Bookkeeping Primer), one for the credit committee and the supervisory committee (entitled "The Credit and the Supervisory Committee") and one for the directors ("Some Hints as to Usual Practice"). Further, the treasurer by writing the Credit Union National Association, Raiffeisen House, Madison, Wisconsin, can contact with the credit unions located in his vicinity and it is a general rule among all credit union treasurers to assist new credit unions in any way which may develop. Further, the new credit union should at time of organization join its State League. This costs nothing in dues the first year. It should also join its city chapter and, at monthly chapter meetings, it will find that all of its questions will be well received and answered.

In the early days our pioneering credit unions had to shift for themselves; that time has gone and there is no more excuse for a credit union to worry about its problems and then guess the answers and guess wrong than there would be for me to attempt to discover the North Pole by digging a hole in the back yard.

A word to the treasurer also about the immediate aspects of his job. It may look a bit complicated and difficult at first; the routine is easy but there is a routine and it must be patiently acquired. You will be surprised and pleased to learn how rapidly you will acquire it.

As noted in August-the primary job of the credit committee is to resist the inclination to be too conservative. Lean to the liberal side! In Massachusetts after we had been operating credit unions for over twenty years with a \$50 unsecured loan limitation we raised the limit by amendment of the law to \$100 and we found that we had no more losses making \$100 unsecured loans than we had had making \$50 unsecured loans. In one state a movement is on foot to amend to raise the unsecured limit to \$300. Remember we came through the depression with no abnormal losses from bad loans. The average man is honest. He will repay. Our job is to make to him the loan that he needs. Lean to the liberal side!

Finally a word in this issue about the

Supervisory (sometimes called Auditing) Committee. It is a committee of three. generally chosen by and from the members. Just as it is not the job of the treasurer to be the credit committee (he may advise with them but it is the job of the Committee to pass on loans and this power should not be delegated to the treasurer) so it is not the job of the Supervisory Committee to usurp the duties of the Board of Directors. It is the job of the Supervisory Committee to supervise, that is to check up-monthly or quarterly in order to see to it that the books are in order and that the credit union is being run in accordance with the law and the by-laws. As they must approve in writing the monthly statement they should be sure (1) that it is prepared and posted on time and (2) that it is correct. They have certain police powers to be used to correct obvious and major wrongs. But just as the policeman carries his club and his gun mostly for moral effect-so the Supervisory Committee should use its police powers only in case of extreme need. It should be a friendly, cooperative committee-not a severely critical committee of snoopers It has a real job to do and it is the coordination of treasurer, directors, credit committee and supervisory committee which makes the credit union succeed.

Did You Ever See a Scared Little Injun?



Louis Armento of Albany took this one at the Indian pow-wow at Hayward. The wee bit papoose didn't for a minute want to sit in the lap of a pale face but finally Louis, the diplomat, succeeded in getting said papoose into my lap for just about half a minute and

this picture was taken just before she started a squall of such proportions that she was promptly restored to her mother.

RAMBLIN' AROUND

MADISON to BOSTON to FARGO

If this Bridge doesn't get to you before election—blame it on the fact that the editor had to wipe his pen and put it carefully away for a spell while he went 'round to do some chores. I took my old camera along (the one that survived being dropped overboard in salt water) and on an adjoining page are a few pictures of some of the credit union folks and others I contacted on the way. The story of the trip may be of interest also because it illustrates another phase of what we do at Raiffeisen House.

It began with the purchase of an automobile. You will probably see it some day; it is called the "Beulah"-a four door, de luxe Plymouth sedan with our designation and the arrow and circles proudly displayed on the side. We bought it by a bit of credit union high finance! First the Managing Director of CUNA deposited the cost price of the car in the CUNA (headquarters) Credit Union. Then the National Assoication borrowed the amount needed and one of our good Wisconsin friends got us a fine cash discount on the car. We are paying the Credit Union for it on the basis of five cents per mile of the mileage shown on credit union trips and it will pay for itself within six months.

It was used first for a trip to Nebraska and lowa for the purpose of investigating some credit unions which have been set up in the State with considerable modifications of basic credit union principles which will be the subject of much discussion in later BRIDGES. Next with the New York campaign in prospect (see the September BRIDGE) Tom and I used the car to get us to New York (saving two car fares) and thereafter Tom used it for the very detailed contact work now going on in New York State. My first stop was in New York City and was devoted to some preliminary work with Tom and Miss Maxwell incidental to the New York campaign and to some very important conferences with Evans Clark and Mr. Rickord of the Twentieth Century Fund, relative to group medicine.

From New York I went over to Boston to confer with National Director Ed Shanney and others about the all important November Executive Committee meeting which will be held in Boston on November 6, 7 and 8. This will include an all New England conference of exceptional importance. I also got a Sunday off for a bit of fishing in the beautiful waters of Ipswich Bay, near Gloucester, but while the waters were beautiful, the fish were all at Sunday school or some place; anyway, we saw no signs of them.

Then I went over to Columbus and there met Percy Brown, Dr. Herbert Evans and Dr. Drury of the C. D. C. who were all there for a most interesting meeting. I got a picture of Mr. Brown standing in front of the very beautiful State office building and I also got a look at the rather thrilling annual convention of the Cooperative League where I had opportunity to discuss the place of the credit union in the cooperative movement to an audience of a thousand delegates. Edward A. Filene was at the meetings and made many splendid contributions. Mr. Filene also remained over for the Ohio League meeting on October 10.

Ohio now has a full time Managing Director, Miss Louise McCarren, who has proved her great ability and worth to the credit union movement on many an occasion during the past few years. The direction of the Ohio League is very safe in her hands. I also met President Clarke, top man in CUNA, at Columbus, He has brought the Ohio credit union

Of Particular Interest to Credit Union Members Within Reaching Distance of Boston, Massachusetts

THE NOVEMBER meeting of the Executive Committee of the Credit Unnion National Association will be held at the City Club, Boston, Massachusetts, from November 6th to 8th inclusive. The arrangements are in charge of National Director Edward L. Shanney, Telephone Workers Credit Union, 125 Milk Street, Boston, Massachusetts. This will be a most interesting and important meeting. Please note the following concerning it:

1) Following our rule, all meetings of the Executive Committee are open to any credit union members who care to attend. If you want to know what CUNA is and what we are trying to do at Raiffeisen House and you live enywhere near Boston, this is your golden opportunity to sit in and to participate in the meetings of the Executive Committee. ANY CREDIT UNION MEMBER IS WELCOME TO THE SESSIONS. Remember the place—the Boston City Club, Somerset Street (near the State House) Boston, and the dates, November 6, 7 and 8.

(2) There will be a grand group meeting and dinner at the Boston Chamber of Commerce on Saturday evening, November 7th. It will start with a dinner at 6:30. It will be addressed by Edward A. Filene, Father J. M. Coady, the famous "golden voice of cooperation in the Maritime Provinces," and others whom you will want very much to hear.

For all details address Mr. Shanney at the above address. This meeting is open to all who care to attend it from the credit unions in the New England

All aboard for Boston!

development from nothing to the point where Ohio is rapidly forging to the front rank and where the employment of a Managing Director is now possible. CUNA owes a great debt of gratitude to Claude E. Clarke.

From Columbus I went over to Louisville for a combined meeting of the Kentucky Credit Union League and a group assembled by Barry Bingham, Publisher of the Louisville Courier Journal, to hear the credit union story. Mr. Bingham and his father (now Ambassador to England) have long been interested in the credit union and have been doing many practical things to boost the credit union development in Kentucky. Mr. Rhodes of our Contact and Organization Department, on his way through the South, made the meeting, and it was splendid in every way-indicating a loyalty and enthusiasm in Kentucky which foretells a grand future for the Kentucky League. As usual Garfield Seibert took the leadership and did a splendid job, making the meeting most productive.

I left the good Kentucky brethren that evening and was in Fargo, North Dakota, by Monday. Here we have a recent and very vigorous credit union movement. With Joe Blomgren, Federal organizer who is doing an outstanding job in this area and with Cliff Skorstad of the Minnesota League, I attended the Catholic Rural Life Conference where I again had an exceptional opportunity to present the case for the credit union before a group of over a thousand leaders of the Catholic church, gathered in a truly historical meeting for the discussion of economic problems. The next evening we had a Fargo credit union group meeting and then I hustled home, hoping somehow to crowd onto the press a thirtytwo page BRIDGE in the short space of five days!

Recently the credit union folks in Indianapolis had an outstanding chapter meeting for organization purposes and Tom reports fine progress with the up-State New York meetings. Ed Shanney and Miss Maxwell have recently organized a Maine Credit Union League and we shall be happy to welcome Mr. Blumethal to our National Board. We shall also have a new National Director from North Dakota and probably from Idaho.

A new League is also being organized in New Hampshire.

We are trying to make one truly national 100% service organization of CUNA and while we appreciate that it will take much patience before we convince all the credit unionists of the desirability of affiliating the letters prove conclusively day by day that real progress is being made.

As indicated elsewhere on this page the next stop is New England and we hope to have a fine representation from the New England credit unions at the all New England dinner on the evening of November 7th. Copies of this issue will be sent to all credit unions in that area.

Truly and in very fact—CUNA
MARCHES ON!



The Place of the Credit Union

A speech by the Managing Director of CUNA—delivered at the Congress of the Cooperative League at Columbus, Ohio, October 9.

This speech which, contrary to long habit, I have committed to paper, is not particularly responsive to the subject. It has more to do with the place of the credit union—cooperative credit—in the cooperative structure—than with the relationship of the credit union to consumer problems. Possibly it has been that I have taken too completely for granted the fact that obviously the credit union fills a consumer need. We do it in various ways.

Our money is invested in our people. Consumer problems call for the use of more than seven thousand million credit dollars per annum. The consumer credit needs of the one state of Wisconsin total more than \$150,000,000 per annum. The credit union enters this field and its money is used either in direct money loans in substitution for usurious credit or to substitute cash for credit trading in totals of over a hundred millions of dollars a year—a small drop as yet in a large bucket, but a drop which is turning rapidly into a stream of credit from a rapidly expanding supply.

There is no single circumstance in our economic life so completely, so radically unAmerican as the denial of legitimate credit resources to the masses of the people—so wrong and so unpatriotic as higher price differentials to those of the people who have the smallest money re-

If we do nothing else through credit union operation than to increase mass buying power by eliminating obvious sources of waste from the worker's dollar we will have performed a service.

But we shall do more for while it has been said that money is the root of all evil—it is the abuse of money which is the evil thing. When we have our own money, what we earn in factory and field, at last under our own control and we have learned its power to serve the masses of the people in America—then and not until then—will we indeed be free.

Now, may I speak of our place in the cooperative movement.

In the average dwelling are many rooms and each room has its particular use, the rooms together constituting a useful whole adapted to all the needs of the family. The house has a common roof. It is built on a foundation which should be strong enough to carry the whole structure. If a modern house, it has a central heating plant which serves all the rooms; it doubtless gets the service of city water, of gas and electricity from outside the house which services are general in character and are utilized by other houses as well. The furniture in each room is adapted to the uses of the room; the beds, useful in the bedroom, would be out of place in the dining room as, unlike the ancient Romans, we do not

recline at meals. We keep the empty trunks probably in the attic—the car in the garage as, if we attempted to keep the car in the attic, it would be most inconvenient.

The cooperative movement must be as orderly. It has a common roof, the principle of cooperation which protects all parts of the movement—all of the rooms in the house—from economic imperfections which would, if permitted within the cooperative movement make all the rooms untenantable. It is built on an extraordinary foundation—a new conception in our economic life, that the rank and file of the people can manage their own affairs efficiently if they are sufficiently instructed.

Sheltered by the cooperative principle. with a solid foundation in cooperative technique and a new faith in the average man—the cooperative movement depends on central services. One of these is government; we want the government (and government is-or should be-all of us working out public affairs in the common good) to give us the laws we need for our orderly development and then to pretty much leave us alone so long as we operate in faithful conformity with those laws. I am not of those who have superabundant faith in government controlled cooperatives-or in cooperative effort wherein the government puts in most of the money, does most of the managing and then tells the members pretty much what they should do. The function of government is to give its citizens a square deal; to enact laws which are found progressively to be necessary for human progress. Government is a service in our cooperative house.

And there is nothing illogical or unpatriotic in pointing out that it is not the function of government to prefer in its law making one economic philosophy as against another. It is true that we have been and are economically organized on the basis of capitalism as against the principle of cooperation-but there is nothing in the Constitution which differentiates between the two systems. They should be honestly competing systems and in the long run the system which is best adapted to our American conceptions should (and doubtless will) prevail. But there is, meantime, no sense in the attitude of those who assume that capitalism is synonimous with Americanism and there is no basic reason why our legislators should not extend to the cooperative house what should be this common service of adequate laws for the proper government of cooperative economic association.

Then there is the central heating plant which makes the whole house comfortable which is the sense of a common patriotism—a love for the America we have

inherited and a determination to bring it closer to its original conceptions. Cooperation is opposed to dictatorshipwhether it take the form of communism or fascism. We have everything to lose from any breaking away from our American basic conceptions. This common purpose to resist both the dictatorship which might come from the mob and the dictatorship which mind find its origin in highly organized wealth-this common purpose is the heating system in our cooperative house. It must warm us through and through with a sense of our common interest against any form of dictatorship-for, I repeat, dictatorship means the end of cooperative effort.

There are other services we need in our cooperative house; we want the serv ice of a fair press; if we fail to get it we must build that service for ourselves. We want the service of peace; we cannot build a cooperative movement with all of our best young men off fighting a fruitless war on foreign soil. We want the service in our cooperative house of democratic ideals (I repeat because it is so important) we know that the Fascist first destroys cooperative effort. That has been true in both Germany and Italy: in Russia the first effort of the Communistic dictatorship was to destroy cooperation. It is of first interest to cooperators in the United States that there be no form of dictatorship in our country That may be a subject on which we must one day unite for political action.

And the house is in a neighborhood All the world today is a neighborhood. That is something which is so hard to understand and which, if understood would make so much difference in our thinking. We in the United States, for example, believe, most of us, that we can remain out of the next World War which is scheduled to begin within two years. How very foolish! The other day one of the contestants in the Spanish civil was came within a few yards of hitting a United States warship with a bomb. Suppose they had! A mine or a bomb exploding in the wrong place in Havana Harbor started the Spanish-American war Today planes and airships are beginning to ferry across both the Atlantic and Pacific oceans in a relatively few hours per trip. When Franklin was returning from France at the end of the American Revolution it took him more than a month to make the crossing-my memory of it is sixty days and more. The Atlantic Ocean is no longer a guarantor of our security or a warranty that we can mind our own business when the whole world is embroiled in war.

We have money invested all over the world; of the nations of Europe only Finland is not our poor debtor. It is this blessed fact that all nations are poor and that most of them owe money to the United States—this one fact alone which accounts for the fact that Europe marks time while it gets ready to make war on the money which they owe us and should repay. But is there no hope that cooper-

ators the world over may some time do something intelligent about world peace?

Will cooperators find the open road to international security—to this World of Good Neighbors about which the President speaks so intelligently?

Have we as cooperators in the United States-no matter in what phase of the cooperative movement we may be interested-have we no common obligation to the cooperators of the world that we should do some intelligent thing to protect what of civilization the ages have produced by preventing it from complete collapse? Returning from this grave consideration (and we must bear in mind that cooperation has everything to lose and nothing to gain from another World war) let us think of the rooms in the cooperative house for it is one of these rooms which is used by that part of the cooperative set-up which has to do with banking. A credit union is nothing more or less than a cooperative bank.

It is organized within a specific group of people, operates on the one-man onevote rule, does business exclusively with members of the group, brings to them the credit side of banking, dividing whatever it earns among the members as dividends on their savings in the credit union. There are nearly 5300 credit unions in the United States. They operate under forty-one State and a Federal law. It is possible therefore to organize credit unions anywhere where the American flag flies. They are increasing (except in the summer months) at the rate of from 150 to 200 a month; the membership is well over a million and increases better than 8000 a week. They operate in great variety-in factories, mills, stores, in church parish groups, in small communities, within both urban and rural areasthere are credit unions of white men and of black men, of all men and all women, in open shops and labor unions. It is this fact of the spread of credit unions which makes it necessary for us to concentrate our effort on the room in the cooperative house which has been assigned to us.

We serve many people who are not interested in other phases of cooperative effort at this stage of the cooperative development. We are of the opinion that an individual may be interested in cooperative finance who is not interested in the consumer movement. Nor do we count as less a cooperator one of our members whose interest in cooperation is confined to cooperative credit.

Just as we would not the less classify a member of a consumer cooperative a cooperator because he neither belonged to nor believed in the credit union plan so, by the same token, we do not exclude from the great family of cooperators those of our number who are interested only in cooperative credit. Nor do we draw too exacting lines at this stage of the cooperative movement; it is difficult to tell what is cooperation right now and what isn't. For example—we have an enlightened employer of labor—in Massachusetts let us say. He has encouraged the introduction of Savings

Bank Life Insurance in his plant (as many of our outstanding Massachusetts industrial leaders have done), he has introduced what to all intents and purposes is group medicine by a plan of medical care for his employees on some scientific basis; his employees have a credit union and he (as in the case with over 90% of all credit unions of the sort) leaves its management to them and is careful not to interfere with it; he may have a branch of a local building and loan association in his plant; who will say that that employer is not cooperatively minded and that his employees are not being encouraged to acquire for themselves the obvious benefits of cooperative association? When the new home of the central Swedish cooperative was dedicated a while back-the King of Sweden was there and at various times Swedish premiers of all sorts of political opinion have addressed meetings of the Swedish cooperators.

We live in a world which is changing rapidly. I think it was Lincoln Steffens who said that "revolution is a disorderly interruption of the evolutionary process. Evolution given time enough will give us a better and a better world. As I have said many times we need to apply to our economic thinking the same process that we apply, for example, to our thinking about transportation or medicine or surgery. Many a man who can hardly wait to swap in his 1936 car to get the 1937 model simply to have a few new gadgets-wants all political thinking to stop with the Farewell Address which Hamilton and Jay prepared for Washington. If we could think about economics as we think about-let us say the unremitting forward marching against tuberculosis, infantile paralysis and all other forms of disease which bedevil the human race-we would know that the economic system is going to be perfected. And there are signs enough that most of us are in a state of evolutionary development in our economic out-

So let us not be too hasty in our differentiation between those who are cooperators and those who are not. Nor do I agree with those who are fearful that the cooperative movement cannot progress in America without immediate amalgamation of all phases of the cooperative movement — without pulling down all the partitions and making one great room of the house.

Our development must of necessity come slowly but it will come because it is thoroughly consistent with what we have been trying to produce in America from the beginnings—one nation in which its institutions should be truly for the people and of the people and by the people.

Returning for a moment to the credit union: The individual without credit resources available for his use when confronted, for example, with an emergency operation may easily become a cooperator. He learns that the cooperative principle is a good principle when applied to

this business of saving his life. We are interested to save his life-to provide the operation which removed the bad appendix—and we are just as interested even though he does not understand other phases of cooperative effort. He will be just as dead if the appendix bursts before his operation-whether he be a Protestant or a Catholic, a Republican or a Democrat, a member of a labor union or an employee of an open shop, a city worker or a farmer, a cooperator or a rugged individualist. There is something amazingly non-partisan about a bad appendix And our job is to prove the value of cooperative effort to him by applying the principle to his case and getting the appendix out on time.

Many cooperators in other phases of the cooperative movement sometimes conclude that we are not cooperators because we stick to our knitting. They forget that cooperation is a comparatively new principle in the national unit which, in spite of our democracy, has, more than any other national unit, subscribed to the principle of rugged individualism. We in America have long been building a national economic life on the supposition that it is the greatest proof of a successful life to accumulate the most goods no matter how unsocial the process and how unfortunate the result as regards the common good. Whatever cooperative penetration there is-whether it be lim-

And our room in the cooperative house—like a well arranged kitchen—has compartments for this and that. We have to do with cooperative finance. That means not only the credit union but other phases of cooperative effort in the field of finance normally associated with the management of money.

ited or otherwise is most important in

breaking down that theory.

I do not mean by all this that we are not interested in other phases of the cooperative effort. We are. I believe that in this world, as at present constituted. the contest is between forms of dictatorship in all human affairs-Communism. Fascism and the like on the one side and democracy on the other. I believe that the cooperators in the world have the best present sense of how the world should be run; that the race may well be between cooperation on the one hand and chaos on the other and, in this race. the cooperative movement can depend on an increasing development of men and women in their capacity to manage their own money, to do it cooperatively and to prove again day by day in the process the value of the cooperative principle.

Through September 30, 1936—1,674 federal credit unions covering every state in the Union. Federal credit unions are also right now being organized in the Hawaiian Islands. Some of the high line States—Pennsylvania, 228; New York, 201; California, 128; and Texas, 112. They include 35 rural community and 12 urban community credit unions. The distribution is noted elsewhere.

WITH THE KODAKERS



Galle On San Francisco Roy

by HUGGINS

I NEVER BEALIZED until I spent a few days recently in Columbus, Ohio, with Dr. Herbert Evans of Columbia University what has been going on recently in the manufacture and perfection of cameras. He went about the convention we were attending, nonchalantly taking pictures indoors and outdoors, regardless of whether there was any sun or not.

Dr. Evans manages the Conference Camp (six thousand feet up in the Rocky Mountains) in the summer time and gets lots of fun taking all sorts of amazing pictures with equally amazing cameras.

We were glad to get the cover picture—the football picture from Fritz Kaeser who is locally famous for his camera art studies and the inside back cover carries another sample of Ted Huggins' work.

For this department there has not been the usual brisk response of subscriber contributions—but we have a few.

One Hot Afternoon In Kansas City

First may we present Ben Hillebrandt, Managing Director of the Missouri Cred-

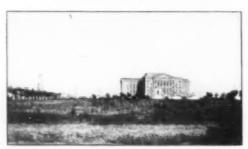


it Union League as caught by Dr. Evans with one of his wonder cameras a hot afternoon in a hotel room where they were both sojourning for a short time this summer. The straw hat identifies the month, and if you look at Ben close

enough, you can almost read the reaction to the thermometer which was right then registering 102 in the shade.

And Thence to Oklahoma City

It isn't such a far run from Kansas City to Oklahoma City, and this picture



(from Ralph Christie) shows the State Capitol building of Oklahoma. And is that a thrifty State? I'll say it is, for there are oil wells right in the front yard as you will observe to the right of the Capitol.

And Back in Wisconsin-a Natural Bridge

And here we have a gem from Bert Beales - a Natural Bridge not the Virginia natural bridge but our own natural bridge right home in Wisconsin - at Leland. They say that Miss Bubier of our CUNA staff is concealed in the picture some place as she was picnicking with Mr. and



Mrs. Beales when this picture was taken, but I have never been able to find her.

By Land—Sea and Air—to Prince Edward Island

We sure are happy to get this picture of the Directors and Committee members of St. Andrew's Credit Union at Mt.



Stewart, Prince Edward Island. This is one of the pioneer credit unions of the Province and we are greatly indebted to Professor Croteau of St. Dunstan's University for the picture.

Let's Go Hunting in Utah!

There's a story attached to this 100% credit union picture. We received it from Karl S. Little of the Utah State Credit Union League. He incloses a letter which, as he well notes, "is packed full of mighty fine credit union appeal. Here is the letter—from Bert West of the Columbia Steel Employees Credit Union of Provo, Utah. We know you will enjoy it just as Karl and I did. It is addressed to Karl and reads this way:

"I am dropping you a few lines to let you know how pleased I am with the BRIDGE. I read every article and I want



you to know what it has done for me After I became acquainted with it and what was going on along credit union organization lines, a group of friends and I joined one at the U.S. Steel plant at Provo. We saved a little each week and last October we had saved enough to take us on a real deer hunt. This hunt was staged eighteen miles east of Springfield. Utah, and the Kodak picture enclosed proves what a success the hunt was. This was made possible by the credit union. Thanks to its organizers! I would like to have this article and the picture in the BRIDGE because I know there are lots of fellows who never take a trip because they never save in advance for them and if they become interested in our story they too would join a Credit Union. We had a wonderful five-day trip-just by saving a little each month to make it possible.

Sincerely,
BERT WEST.

Incidentally Mr. West is the gentleman standing in the picture.

Thanks, Mr. West, and thanks Karl for sending in this interesting letter and picture. I know from much credit union contacting that we have our fair share of hunters, and I know of no better use for credit union savings than an occasional vacation, spent the way a feller wants to spend it.

From Hunting to Fishing—From Provo, Utah, to Ipswich Bay

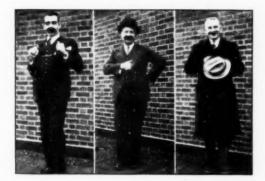
Did you ever go tuna fishing? Now a tuna fish, as you well know, is a fish—not a whale fish exactly but a real, honest to goodness fish. I was in Gloucester recently and spent a Sunday with Ed Hodsdon tuna fishing in Ipswich Bay. Mr. Hodsdon is the father of George E. Hodsdon, Jr., who is a director of the credit



union which serves employees of the Gloucester Electric Company. This summer and fall the tuna fish have been running in the waters around Gloucester and while we realized that it would be too late probably to get even a bite (and that I wouldn't know what to do with said bite if we got it) we decided to take a whirl in the Bay, appreciating that in any event we would have a grand sail. It was cold and clear and the sea was smooth and there wasn't a fish in the Atlantic Ocean-but we had a grand time just the same. Mr. Hodsdon recently caught a tuna in these same waters which weighed over two hundred pounds and fought for over six hours with one which broke away just about as they got him to the boat. I am assured that this one ran true to the form of those monsters of the deep who get away! He was good for 800 pounds if he weighed an ounce. We were pretty close in shore when this picture was taken, and you can see the derrick of one of the Lanesville granite quar-

Wintergreen for President!

Here we are, gents, just ready to amble up to the polls to cast our ballot for the



high offices now at stake. We offer our candidates! They stand or they fall all on one plank in their grand platform. Their slogan-DOWN WITH RAZORS! If they are elected-YOU WILL NEVER HAVE TO SHAVE AGAIN! Think what that means! Every morning you can remain a half hour longer in bed. Every time you are going to a party all you will have to do is wash your face and put on a clean necktie! For President-he of the biggest whisker—James A. Dacus of Washington, D. C. For Vice President-John L. Moore of Oakland, California, and way stations; for Secretary of the Treasury-Earl Rentfro of Madison. Wisconsin! Vote early-Vote often-and remember our pledge-ELECT US AND YOU NEED NEVER SHAVE AGAIN. The candidates of the House of David-Dacus-Moor and Rentfro.

(Editor's note: I came across these souvenirs of the first National Board meeting at Kansas City and could not resist using them.)

From West Allis in Wisconsin

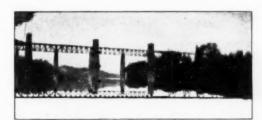
Carl Cokain of West Allis sent this charming picture of his son in quite

a while back, and he subsequently wrote me the data as to just what sort of a bazooka his son is entertaining himself with, but this data went astray. I have been hoping it would turn up but it hasn't and so I am informing you that this is the young man Cokain playing "Yankee Doo-dle" on his home made (patent applied for) smack-



erino! Thanks, Carl, for this fine pictureand best regards.

Another Mystery Picture!



You have heard of mystery pictures—the woods are full of 'em. Every now and then we encounter a mystery picture—one that gets loose from the accompanying letter. Soooo here is one such. It is a nice picture of a railroad bridge over the Potomac River at Shepherdstown. West Virginia. Will the owner please call at the BRIDGE office and identify the child whereupon the usual one dollar fee for all pictures we use will be promptly forwarded. Glad to hear from Shepherdstown, West Virginia!

We Close in Nova Scotia

We close the KODAKERS for the month with this picture which shows a bit of



the lovely Nova Scotia countryside at Mabou, Cape Breton, Nova Scotia. We had a grand time attending the annual meeting of the Nova Scotia Credit Union League this summer and picked up this picture while there.

Not Enuf! Not Enuf!!

We just ain't a'gettin' enough Ko-DAKER contributions. If every credit union feller wot's got a camera should send in ONE PICTURE we would have 987,362 pictures! I'll bet ya a buck you've got the most interesting picture taken this month. Why not give us a break—and send it m!

Forgotten Parts of America

WONDER IF you know about American Samoa. There's a forgotten spot on Uncle Sam's map. It has a total area of 76 square miles and a population of 10,055 which includes 9,768 natives. The capital is Pogo Pogo. According to my latest advices (which are not very up to date) Capt. Otto C. Dowling, U. S. N., was Governor. It is governed by an annual "fono" (I'll bet a cookie that's a new word to you) or meeting of delegates. We got this country by treaty with Great Britain and Germany in November, 1899, but it took Congress until 1929 to accept the acquisition. Pogo Pogo is probably the most valuable harbor in the southern Pacific and was originally ceded to the United States by a native king for a coaling station in 1872. It is 4,160 miles from San Francisco and 2,263 miles from the Hawaiian islands. The natives can all read and write, and they are all Christians.

Political Scrambled Eggs

WITH ELECTION only a few days off we can all appreciate this joke as mother tries to convince father he should vote for Roosevelt while father gets cross because she won't agree to cast her ballot for Landon. Miss Kathryn Augustine of Des Moines gets the five spot this month for contributing this one.

When asked the political tendencies of the family young Billy replied: "We're all scrambled up. Pop is a Republican. Ma's a Democrat. The baby is wet, the cow is dry and the dog is a Communist. He just sits around and howls all day!"



During the making of Pigskin Parade, Stuart Erwin talks it over with Dixie Dunbar

Lawrence Tibbett filming "Under Your Spell" with Wendy Barrie

Movies for October

by AL LOWE

W E ARE ON short rations again this month while the boss weighs the evidence and decides whether or not old Al Lowe is to continue his literary efforts.

We had a notion when the boss and I mapped out this department—that most of our credit union members are, like the boss and myself, movie addicts and that we would get more response from this department than from any other.

We expected movie reviews and letters about this actor and that and all sorts of response to indicate that our movie section filled a need in the BRIDGE. We offered a five dollar prize for the best amateur movie review of the month—and that failed to start anything.

Possibly we didn't stay long enough with that idea. So we repeat it!

Five Dollars for the Best Review

We will give five dollars for the best review of a movie received in time for the November BRIDGE—that is not later than November 7th. No strings tied to this offer—a five spot for the man or woman, boy or girl offering the best review of a movie he has attended between now and early November.

Two Not of a Kind

The Missus and I saw a couple of pictures, two nights running recently which offered an excellent contrast in picture making. First we went to "Swing Time." Most of you have seen it as Fred Astaire and Ginger Rogers are coming to have the place in the affections of movie fans which, just before the World War, was

occupied by that internationally known dancing team of Vernon and Irene Cas-

It seemed to me in their latest picturethat Miss Rogers is improving rapidly and that now the partnership is much more evenly balanced than in their earlier pictures. For a homely man, there is something extremely fascinating about Astaire. He not only can dance but has one of the most expressive faces in the movies.

Passing from the ridiculous to the sublime-the next evening Mother and I went to see Fredric March in Anthony Adverse. The picture is a bit more merciful than the book as it does marry Anthony to his Angela and they do have a boy and the father in the end is on his way to America with the boy, leaving the audience to anticipate that somehow or other, possibly after Napoleon had been locked up safely on St. Helena, Angela rejoined Anthony in America in time to give this, ill starred young man at least a few years of happiness. There was real artistry in this picture; for examplethe young Angela, the child, was the spitting image of the grown up Angela and the boy looked for all the world like a youthful man Anthony and very like his mother. There was some casting done in this picture, amazing casting and the result of it is self-evident throughout the picture. And never did I see such swell villains!

I wonder again if any BRIDGE readers remember back to the day of the "Ten—twenty and thirt!" That was a familiar expression in my day and referred to the local stock company offering each week a new show at the low prices indicated—ten, twenty and thirty cents! Those were the days!

And speaking of villains, there is not only an A No. 1 male villain but, to make this a five star production, at limitless expense we present also an A No. 1 female villain. Anthony's grandfather (on his mother's side) has a housekeeper who is intent on getting the old man's money away from him. You get to hate her so that you automatically hiss when she comes on in the latter stages of the picture. And Anthony's mother's husband (to put it diplomatically) is a Spanish grandee who also would inspire one to murder. This twain is worth the price of admission.

This is a story of a particularly eventful and a very unhappy life.

And here—we write "Curtain." This is "The End" of the movie section of the BRIDGE. It died of mal-nutrition, brought on by non-support. Here—barring a miracle—we end it and, as we take our bow—we thank you all.

Washington the Evergreen State

(Continued from page 11)

south by the way of Longmire's to Paradise Valley, located well up on the base of the mountain, from where only a short walk will bring one to a point overlooking the magnificent Nisqually Glacier. United States Highway No. 410 between Yakima and Tacoma crosses the northeast corner of the park and provides unsurpassed views of the "Sunrise" side of the mountain.

Mt. Ranier is one of those rare things which cannot be described by mere written words—it must be seen to be appreciated. Its glaciers, its forests, its many varieties of wild flowers, and the symetry of the lovely mountain itself, combine to make a trip to Mt. Rainier National Park an experience long to be remembered.

Lake Chelan, that gorgeous ribbon of blue in the heart of the Cascades themselves! This lake lies in the north central part of the state and may be approached from United States Highway No. 97, north of Wenatchee. The only practical method of seeing the whole of this marvelous body of water is by boat from the town of Chelan, at the lower end of the lake, to Stehekin, at its most northerly end, deep in the heart of the mountains. Chelan varies in width from two to three miles and winds around beneath towering peaks for a distance of approximately sixty miles. Its surface elevation is over

a thousand feet above sea level, but it is tremendously deep and in some places the bottom of the lake is more than 400 feet below sea level. The mountains, some of which are nearly 9000 feet high, break abruptly into the water, and beaches are practically never seen. To world travelers it is very reminiscent of the fiords of the Norwegian coast.

The Olympic Penisula, which lies between Puget Sound and the Ocean, was until recent years little known to tourists, but since the advent of good roads this section has opened up one of the most interesting areas in the Northwest. In the center of the Peninsula is Mt. Olympus National Monument, which holds for the more adventurous traveler much beautiful mountain scenery and offers challenge to the mountain climber. Beautiful Lake Crescent, deep in the heart of the forest at the northern end of the peninsula, is a popular spot for the vacationist.

Mt. Baker in the Cascade range, near the Canadian boundary, is also coming to be one of Washington's best known tourist attractions.

This article attempts only to mention a few of Washington's interesting places and to describe them most briefly. This fascinating northwestern outpost of ours offers much to the sportsman, the artist, the poet, the scientist, the mountain climber, the yachtsman, but probably most of all to the average citizen just on "plain" vacation from the office, the store or the shop, for here he will find beauty. contentment and peace.

Does Your State League Want A Monthly Bulletin Free?

This month we are enclosing within the 2500 BRIDGES which go to Minnesota readers a four page, printed and illustrated Minnesota League Bulletin. We are giving the Minnesota League 500 additional copies of this bulletin for office use and this is all free. We are doing it in Minnesota because that State is the first to give us 2500 subscriptions. If your State lifts its present total (which may be getting quite large) up to 2500you get free bulletin service for the State League. This means in one State, for example, saving the League the \$600 appropriated for a State League Bulletin. It wouldn't be much of a chore to boost your subscriptions up to 2500. We have three additional States now working diligently on such a plan. If interested write the BRIDGE— Raiffeisen House, Madison, Wis-

Mr. Justwed: "What did you do to this meat. It has a peculiar taste."

Mrs. Justwed: "Oh, nothing. It did get a little burnt, but I fixed that—I applied Unguentine right away!"

Don't Forget the Contest!

The Organization Contest (see page 28 the September BRIDGE) hasn't really started yet. Lots and lots of inquiries but not many actual entries. So you will be starting from scratch if you start now.

We are offering \$1250 cash prizes for the individuals who organize the most credit unions in conformity with the terms of the Contest between now and January 1st. Forty prizes ranging from a first prize of \$200 to a lower classification of \$10 prizes.

And for the State League making the best combined showing \$1250 in prizes—five prizes ranging from \$500 to \$100.

You can get the terms of the Contest from:

1—The September BRIDGE 2—Your State League (see back cover) 3—Organization Committee, Credit Union National Association, Raiffeisen House, Madison, Wisconsin.

And Never Was It So Easy to Organize Credit Unions As Now!

And bear in mind—no paid organizers (of the State Leagues, CUNA, the Federal Organization Department)—are eligible. It is YOUR CONTEST and a real chance to win some real money.

REMEMBER—A TOTAL OF \$2500 CASH PRIZES. HERE'S YOUR CHANCE TO PROVE THAT YOU HAVE REAL OGANIZATION ABILITY

DON'T DELAY! USE THIS BLANK AND GET THE FULL DATA TODAY!

To the Credit Union National Extension Bureau Raiffeisen House, Madison, Wisconsin

Please enter me in the Organization Contest and send complete data to:

Name

Address (St. and No.)

(City)

(State)

A POEM

F. H. Huseby is Treasurer of the H. D. Lee Employees Credit Union. He recently sent us this very appropriate verse written by one of his credit union members, Mrs. Ethel Morgan. It is self explanatory.

PREPAREDNESS



When Wife and I became aware

That Mister Stork is coming here

We quickly held a consultation

To plan for this great visitation.

Said Wife: "I don't see how we will

Pay the nurse and doctor bill!"

Then I grinned and said, "Now Pet,

Don't go getting all upset. The good provider

(and I am he)

Prepares for such emergency!



My membership in our C. U. Will pay all bills as they come due. My dream for you,

baby and me,
Is built on real securitu!"

Hats Off to Finland!

EVERY AMERICAN citizen should have a warm spot in his heart for Finland. Almost every nation of Europe borrowed from the United States during the World War, but it remained for Finland to be the only nation to pay its debt. Let's take a little look at this staunch country which maintained its national financial integrity. It is a Republic. It has a population of about three and three-quarters millions, an area of 149,691 square miles. The capital city is Helsingfors. The President is Pehr Evind Svinhufind. It was formerly a Grand Duchy of Russia, a country of small farms, made possible by the Land Purchase Act of 1918-19 which gave every farm tenant a chance to own his own farm, through paying of the redemption price in government guaranteed bonds to the landowners. By 1931 there were 5650 cooperative societies in the country and the Cooperative Wholesale that year did a business of \$35,-998,200 while the retail cooperatives were turning in the neat total of \$37,981,440 in business. All but 2% of the people are Lutherans and illiteracy is less than

Hats off to Finland! We were most happy to welcome to Raiffeisen House recently J. W. Rangell, Manager of the Central Bank of the Finnish Cooperatives.

We Like the Enka Credit Union



WE LIKE THE Enka Credit Union and make no bones about saying so! To begin with, it is a symbol of the thousands of loyal industrial credit unions which are serving their members faithfully and which are helping us during these difficult pioneering days to put the National Association together. This credit union belongs to the North Carolina Credit Union League. It is a loyal member of the National Association. It is always up to something or other to stim-

ulate and promote credit union interest in the part of North Carolina where it is located. It has resources of \$82,388 and over 1300 members. Recently it was host to a great gathering of credit union representatives with eight credit unions represented. These credit unions at once organized a credit union chapter. Our job at Raiffeisen House would be mighty easy if all credit unions were back of the credit union movement in America as is the Enka Credit Union.

IN DIXIE



As RECENTLY announced, Hubert M. Rhodes has been added to the Contact and Organization Department of CUNA and assigned to the South. Mr. Rhodes, because of his years of activity in the North Carolina Union League, is extremely well oriented to his job and his ears must burn as the letters come in to Raiffeisen House praising his initial efforts in his extensive southern territory. We shall have a story from him in the November BRIDGE telling us in detail of what he is doing. I suggest a title for it: "Is it true what they say about Dixie?" This picture was taken just before a great meeting at Jacksonville.

Florida, where he was the guest of officials of the Florida Credit Union League Since then Mr. Rhodes has visited with the credit unions in South Carolina. Georgia, Alabama, Mississippi, Louisiana, Arkansas, and Kentucky. Those in the picture are (reading left to right) Mittie G. Tipton, a Director of the League, A. E. Jackson, Secretary, National Director George Gross, President F. L. Andrews, Mr. Rhodes, George D. Barton. Director, and C. S. Cannon, Director. Mr. Rhodes writes enthusiastically about this and all his other initial southern meeting. "Dixie is going to show the way," he writes-and we believe it.

Cuma Mutual Notes

Credit unions have not been organized as competitors of loan sharks. Their objective is only to provide credit at a fair cost. A resulting general reduction of interest rates and more generous terms offered by agencies outside of the Credit Union Movement is hailed by credit un-

ionists as a notable victory.

These great objectives have been accomplished nationally. In addition, credit unions themselves own the CUNA Mutual Society to direct as they see fit. Therefore, they will never exploit for unfair profit members of any unfortunate group outside the credit union movement to accomplish their purpose, but will exert every effort to maintain a progressive service of maximum protection for credit unions only at a minimum cost to themselves. When better loan protection is pioneered, the CUNA Mutual Society will pioneer it in the future as in the past. ---

That credit unions are meeting the Loan Protection problem through their own efforts is evidenced by many letters similar to these:

Mr. Earl Rentfro **CUNA Mutual Society** Madison, Wisconsin Dear Mr. Rentfro:

With reference to your letter of October first to the Postal Credit Union of Baton Rouge, we wish to acknowledge the receipt of your check of \$50.11, in payment of the account of

We wish to thank you for the prompt settlement of this claim. This is the second claim paid for our credit union and both were cases where it would have been very distressing to have collected the loan from the bereaved family. We are enthusiastic about loan protection.

> Yours truly. L. Emory Smith Vice President Postal Credit Union Baton Rouge, Louisiana.

October 10, 1936

Mr. Earl Rentfro Assistant General Manager Cuna Mutual Society Raiffeisen House Madison, Wisconsin

Death Claim-\$441.37

Dear Mr. Rentfro:

This will acknowledge receipt of your check for \$441.37 in payment of death claim forwarded to your office on September 16, 1936.

We wish to compliment you upon your very prompt action. Payment was in our hands exactly five and a half days from mailing date to actual receipt of payment. Such service as this cannot but definitely convince every Credit Union in these United States of the real service rendered by the Credit Union National Association, Cuna Mutual Society, and the State Leagues.

We would earnestly urge every Credit Union not now a member of the Credit Union National Association to immediately give serious consideration to joining and receiving the benefits and protection of this great organization. The cost is negligible when you encounter difficulties. A credit union cannot function unto itself-it must form affiliations in order to become one solid unit for service

Assuring you of our appreciation of your prompt service and cooperation,

Yours very truly, Genpetco Los Angeles Employees Federal Credit Union By M. F. Sholes, President September 22, 1936

There Is A Moral In This Letter

(From an anonymous Bridge reader who signs himself Gabby Gus)

September 9, 1936

Editor of the BRIDGE

CUNA

Madison, Wisconsin

Dear Mr. Editor:

You don't know me, but my name is Gabby Gus. First of all I want you to know that I'm a credit union treasurer and a darn good one. I'm one of those guys that has been in a habit of seeing no good in anything. Now don't get the



idea I'm a "dumb cluck" for I'm not. I can run a credit union just as good as the next one and I think a little better.

Let me tell you about it. I do it all myself-I'm the big cheese and boy, they know it. The other guys, I mean the officers, don't know what it's all about.

To give you a boost I took one subscription to the BRIDGE and told those birds they can read it if they want to. They never come around. Don't seem to give a hang for it. They just don't give a darn on what's goin' on.

Here's what I want to tell you, but first I wanted you to know that I'm a good guy. The other day I was talkin' to a fellow in the next block that runs a credit union. You should have heard him talk and did I get told. I learned plenty.

Well, guess I had it comin' to me. That boy is doing a swell job. His idea is worth trying-if it works for him it'll work

for me.

Here's what he said. When the first BRIDGE came out every man that was an officer took it and he told me it made a whale of a difference in their enthusiasm. They learned that they were more than just officers, but a big cog in a mighty movement. Then the members started taking it. That's all of that.

Right then and there I turned over a new leaf. When our Board of Directors met I told them we were all goin' to subscribe to the BRIDGE and every page was goin' to be read if I had to read it out loud. They're a good bunch of guys and you know after they received their first copy they said, "The BRIDGE is interesting and if we are going to have a good credit union our members must have it, too."

Four of us went to work and got ten subscriptions apiece, but old Bill got sixteen and is not through yet. Felt just like giving them a big kiss, but to keep from getting my face pushed in, didn't. Guess my face should have been pushed in when I let that first issue of the BRIDGE gather dust on my desk.

Well, Mr. Editor, you can tell them for me that a treasurer is missing a good bet that don't encourage subscriptions. If you have any trouble convincing these guys send them around to Gabby

Gus-Boy, I'll tell 'em!

Yours truly, GABBY GUS.

A Major Credit Union Movement

STATISTICS are generally a bit dull, but remembering back to the first credit union within Swift & Company, I get a very great thrill out of their statistics. They are a tribute to N. L. Brainard of the Personnel Section of Swift & Company. They are a tribute to Tom Doig who, with Mr. Brainard, organized so many of these credit unions and they are a tribute to the Credit Union National Extension Bureau which gave the credit union movement to America. Most of these credit unions are now affiliated in the various State Leagues associated in CUNA and are doing their part to extend the credit unions to the millions of people to be reached with much needed credit union service. The figures cover Swift and affiliated credit unions in the following Divisions:

(a) Packing plants-thirty-six credit unions; (b) Produce plants-24; (c) Branch houses-27; (d) Combined units -9; and (e) All others-3; a grand total of 99, reporting 28,920 members with assets of \$1,200,889 and 59,942 loans to date totaling \$4,623,151.

That's an achievement!

What about It? Edited by THOMAS W. DOIG

FIRST QUESTION. Is there anything in the Federal Act or the uniform bylaws for Federal credit unions which prohibits them from using their earnings for educational work among their members? What is the attitude of the Federal authorities toward such use of earnings?

Answer. Federal credit unions are quite free to use their earnings for this purpose, except that 20 percent of the net earnings at the end of each year must be set aside for a reserve fund against bad loans.

for a reserve fund against bad loans.

I have been assured that the Washington credit union authorities are quite in harmony with us here in CUNA in favoring the use of credit union funds, within proper limitations, for educational purposes. They have shown their interest in such educational work in many ways, notably in a special article in the July issue of Cooperative Saving.

While the subject is up, perhaps I may offer some suggestions as to a method of procedure. First, let me suggest that the board of directors appoint a live educational committee, preferably small, so that a well-planned program may be carried out. Then it would be well if the credit union could set aside a part of its net earnings for educational purposes, and in order to remove any doubt as to the authority of the board of directors to spend money for purposes of this kind the matter might be passed on by a regular or special meeting of the members. With funds available many forms of educational activity can be considered. One of the best is that being followed by several credit unions, namely, subscribing to the BRIDGE for each credit union member. Posters, mimeographed or printed bulletins, mail enclosures, slogan contests, and a variety of other mediums for arousing interest are being successfully used by credit union treasurers and educational committees.

SECOND QUESTION. Is it necessary that all bookkeeping forms of our Federal credit union be approved by the Farm Credit Administration?

ANSWER. Yes. The Federal Act specifically states that all books shall be kept "in accordance with forms approved by the Governor of the Farm Credit Administration." A complete set of bookkeeping forms has accordingly been prescribed by the F.C.A. for the use of Federal credit unions. In a few cases a Federal credit union has found that many adaptation of apparent property.

In a few cases a Federal credit union has found that some adaptation of one or more of these forms to its particular needs would be desirable. When it has submitted a request for such changes to the Farm Credit Administration, together with a full explanation, the matter has received prompt and sympathetic attention. No changes, of course, can be permitted under the law without express permission of the F.C.A.

The reasons for requiring uniform book-

The reasons for requiring uniform bookkeeping practices are obvious. Together with uniform bylaws standardized bookkeeping adds immensely to the efficiency and convenience of examinations, and makes possible the compilation of statistics covering the same items for all Federal credit unions.

THIRD QUESTION. What does Federal practice require with regard to the keeping of minutes?

Answer. The Federal Credit Union Section lays stress on the keeping of accurate minutes, but they need not be voluminous. If you have been keeping a file of COOPERATIVE SAVING you will find a full discussion of the subject in the issue for February, 1936.

Credit unions are business organizations and as such should provide that a permanent record of all action taken at meetings of members, of the board of directors, and of the standing committees, should be kept in readily available form. All matters of importance which come up at board meetings should be summarized in the minutes, including such subjects as the admission of new members, changing the maximum share and loan limit, waiving of fines, filling of



vacancies in the board or in the credit committee, procedure followed in collecting delinquent loans, insurance of loans, etc. It is important that the names of all new members shall be included in the minutes of the meeting of the board at which their applications are accepted.

cations are accepted.

It is important that a written record shall be kept of all loans granted by the credit committee, since the treasurer may not issue checks for loans until such loans have been approved by the committee. The uniform bylaws specifically provide that "The secretary of the credit committee shall maintain a full and correct record of all action taken by it." The clerk, or clerk-treasurer, is charged with the duty of keeping the records of meetings of the members, the board, and the supervisory committee.

FOURTH QUESTION. What is meant by a "spot check" or "test check" in the audit by a Federal credit union supervisory committee?

Answer. As explained by the Federal Credit Union Section a test check of the treasurer's accounts by the supervisory committee is the test of a sufficient number of items to assure the committee that the treasurer understands the required procedure and is following it accurately.

In answering the questions on the Super-

In answering the questions on the Supervisory Committee Audit Report the committee does not need to check every item or transaction. With the larger credit unions that would take a great amount of time and effort. The Audit Report form recognizes that such a thorough check is unnecessary, and in answering questions 4, 5, 6, 7, and 8 the committee is asked to state what proportion of the items or entries were checked. Practices in making such examination differ with different supervisory committees, depending on the size of the credit union and the time the committee can give to the work. Of course if errors are found in the items checked the committee must carry its examination further than if everything is

found in order. In all cases the test must cover a sufficient number of items so that the committee feels fully justified in its answer to the first part of the questions asked (for example, "Was it determined that cash disbursements were correctly entered in the Journal and Cash Record?").

FIFTH QUESTION. May the treasurer

FIFTH QUESTION. May the treasurer of our Federal credit union transfer its funds from one bank to another at discretion?

ANSWER. Under the uniform bylaws the duty of designating the depository or depositories for credit union funds is placed in the hands of the board of directors. By resolution they designate the bank which is to receive the funds and they may change the depository through the same procedure at any time they wish. They may also designate more than one such depository. All funds must be deposited in an approved bank within forty-eight hours after they are received, and any bank may be designated as a depository if its deposits are insured by the Federal Deposit Insurance Corporation or the Federal Insurance Fund.

SIXTH QUESTION. In granting loans to persons of minor age whose notes bear the signature of a co-maker, should the contracting party fail in his obligation can the co-signer be held for payment of the debt?

ANSWER. Yes. The co-signer can be held for payment of the balance due on the note provided of course that the co-signer is of legal age. The fact that the original maker of the note was a minor would not in any way interfere with collection from the co-maker. A co-maker is a joint maker of the note and equally responsible with the man who actually receives the money, the theory being that the money is loaned to these persons jointly.

In certain states and under certain conditions collection of a loan can be enforced even from a minor, but the general statutes in each state places certain limitations on collections of this kind and therefore it would be well for credit unions to have the signature of an adult person as a co-maker in case a loan is being made to a minor. As a general thing credit unions do not rely on the legality of their paper to assure them of proper payment of the loan. In making loans a credit union relies more on the character of the individual and his close personal relationship with fellow members of the credit union. In very few instances have credit unions gone into court for assistance in collection of a loan.

SEVENTH QUESTION. In case a credit union during its first year of operation suffers a loss because of an uncollectible loan which exceeds the amount of the reserve fund of the credit union, should the amount of this bad loan be made good from the current earnings of the credit union before declaring a dividend, in this way possibly eliminating the dividend entirely?

Answer. Yes. If the reserve fund is wiped out the earnings of the credit union should first be applied to make good any impairment to its capital, and second to dividends. In this connection, however, let us remember that in the thousands of credit unions now operating in the United States I have never yet found one which occupied the position outlined above. Too often we are inclined to build up obstacles which seem almost insurmountable and which really have no basis in fact. Even if a dividend were made impossible because of circumstances as outlined above this should not be considered too serious a matter by the board of directors. Service is important in the credit union movement. Dividends are a secondary matter.

EIGHTH QUESTION. A member of our credit union who earns \$100 a month and has one additional person to support desired to trade in a used car for a 1936 model and approached our credit committee with a request for a loan of \$320, representing the balance to be paid in cash for the new car. As security the member offered a chattel on this new 1936 automobile. Our credit committee requested that in addition to the chattel on the new car the applicant for the loan should furnish two endorsers on his note, and refused to make the loan without these endorsers. Did the credit committee act properly in this case?

Answer. No. The credit committee did not act properly in demanding two co-signers in addition to a chattel on a 1936 automobile valued at approximately \$650 to secure a \$320 loan. This individual could go to any finance company and to many banks and obtain the credit denied him by his own credit union. Chattel mortgages on automobiles have proven to be excellent security for credit union loans. I know of one credit union which has had more than \$80,000 outstanding on this type of loan for more than five years and which has never suffered a loss. It is willing to loan 75% of the value of the new car and accept only a chattel as security. Credit unions are created for the purpose of extending credit which banks are unwilling to extend and for the further purpose of reducing the overhead cost of purchases otherwise made on the installment plan. It is our business in the credit union to finance installment purchases at a rate of interest much lower than that usually charged by installment houses. Isn't it peculiar that some credit unions operate with chattel mortgages as their only security and refuse to accept co-makers, whereas other credit unions operate with co-makers as their only security, and seem to think that chattels are unsafe?

If the credit union is to be truly successful we must finance for our members the purchase of washing machines, radios, mechanical refrigeration, automobiles, furniture, and all of the other equipment our members wish to buy, accepting as security for the loan a chattel mortgage on the new article being purchased. The members of a credit union invest their money in it with the definite understanding that this money will be utilized in providing credit resources for themselves and their fellows, and the credit committee has no justification for setting up improper obstructions which make the extension of this necessary credit impossible. The security in this case was ample. The loan should have been granted without question.

NINTH QUESTION. If the board of directors of a credit union finds that one member of the credit committee of that organization is obstructing loans, is it within the province of the board of directors to rule that a loan may be made upon the approval of two of the three members of the credit committee?

Answer. No. Most of our state laws and the federal law require that each loan application shall be submitted to a meeting of the credit committee and the opinion of those members of the committee who are present must be unanimously favorable before the loan can be made. If three members of the committee are present at the meeting, the three members must give their consent to granting the loan or it can not legally be made. Under most of our credit union laws this is imperative and it would be illegal and improper for the board of directors to rule otherwise.

TENTH QUESTION. One member of our credit committee feels that chattel mortgages are not proper security for a loan. Our board of directors is unanimous in the opinion that proper chattels are good security. Can we do anything which would force this member of our credit committee to recognize such security as being proper?

Answer. Yes. The board of directors might rule, for example, that in financing new mechanical refrigerators or a new automobile a loan can be made in an amount equal to 75% of the value of the article purchased with no other collateral except a chattel mortgage on that article, and it would be the duty of the credit committee to act within this ruling of the board of directors and to approve all such loans, unless individual circumstances make the particular loan being considered seem unsafe. Further, the board of directors could, if it felt that this one individual on the credit committee was obstructing the progress and operation of the credit union, request the supervisory committee to temporarily suspend this member of the credit committee and call the members of the credit union together to consider the case, at which time the whole matter should be explained to all of the members and they could be requested to sustain the suspension of this member by the supervisory committee and elect some other person to serve on the credit committee in place of the individual being removed. Too often members of the credit committee become altogether too conservative in their attitude toward loan applications. This is one of the greatest problems with which present time.

ELEVENTH QUESTION. Our firm cannot afford to permit the treasurer of our credit union to use company time to conduct the business of the credit union. Would it be proper for the board of directors to authorize payment of a small salary to the treasurer for carrying on this work on his spare time?

Answer. Yes. It certainly would be correct procedure for your directors to authorize payment to the treasurer for services rendered. It is more important under the circumstances to compensate the treasurer on a fair basis than to pay a dividend. Dividends in the credit union should not be paid to members who save, at the expense of one member who donates his time in order to make those dividends possible.

TWELFTH QUESTION. Our credit union has \$1200 paid into the share account. How much of this money must we keep on hand and how much can we loan out?

Answer. The whole \$1200 with the exception of \$10 should be loaned to your members. This would be entirely proper credit union practice. Under certain laws, the federal law for example and some state laws, it would be necessary to keep 5% of this \$1200 as cash on hand in the bank. But unless the law so requires all of the money should be loaned out, with the exception of that amount which is necessary to hold your checking account. The credit union was created for the purpose of providing credit resources for the mass of people in the United States. That is its most important function. Thrift is also an important function of the credit union, but thrift is really only important in order that we may accumulate the money with which to take care of the borrowing problems of our members. The business of the credit union first, last, and all the time, is loans to members of the

THIRTEENTH QUESTION. Have any credit unions found it necessary to limit the frequency with which members may withdraw from their share account, and if so, what seems to be adequate limitation?

Answer. I know of no credit unions which have found it necessary to limit the frequency of withdrawals being made by members from the share account. This would be entirely improper and in most states illegal, as most state laws and bylaws provide that funds on deposit in the share account of a credit union may be withdrawn on any day that the credit union is a service organization created for the purpose of serving its members in such manner as they may see fit. Members should be permitted to deposit and withdraw money at their pleasure. Of course the credit union is a thrift organization and it is the duty of the officers of the credit union to endeavor to persuade the members to become habitual savers. But it is not the duty of the board to endeavor in any way to coerce the member or to compel him to save and to leave his savings in the credit union for a specific time against his own will. The credit union was created for the member and not the member for the credit union. Too often the officers of the credit union seem to feel that they know better than the member what is good for him. This is not the case. If the officers and directors of a credit union are properly elected they come from the ranks and are simply on a parity with all other members. The eventual power of the credit union eminates from the individual member. Let us keep this in mind in our transactions with him as an individual.

A Popular Poem!

We want to thank a dozen readers who sent copies of this poem. It's sure popular!

The Bridge Builder

An old man, going a lone highway,
Came at the evening, cold and gray,
To a chasm vast and deep and wide;
Through which was flowing a sullen tide.
The old man crossed in the twilight, dim,
The sullen stream had no fears for him;
But he turned, when safe on the other
side.

And built a bridge to span the tide.
"Old man," said a fellow pilgrim near,
"You are wasting strength with building
here;

Your journey will end with the ending day;

You never again will pass this way; You have passed the chasm deep and wide;

Why build you the bridge at even tide?"
"There followeth after me a youth,
Whose feet may pass this way, forsooth;
This chasm that has been naught to me
To that fair youth may a pitfall be;
He, too, must cross in the twilight dim;
Good friend, I am building this bridge
for him."

The Lamp (Standard Oil Magazine) records recently that "credit unions Ioan a Quarter Million." It lists 27 Standard Oil credit unions, starting with Octane—at Everett, Massachusetts.



Where does the working man or woman of the United States have the best opportunity to join a credit union? In other words, where are credit unions thickest in proportion to population? A little study of the subject has been made in the Farm Credit Administration and some interesting facts have been disclosed.

On the basis of 1930 population returns and credit union figures as of June 30, 1936, the District of Columbia and the State of Wisconsin were running neck and neck for first place. The nation's capital registered one credit union to each 6,325 residents, and Wisconsin one to each 6,517. While the District thus headed the list statistically the standing might be changed over night and it would be only fair to say that the two jurisdictions were actually tied in number of credit unions per capita. Both state and Federal credit unions are included in these calculations.

Other states were well behind these two leaders. Minnesota was closest with one credit union to each 10,094 residents, and Utah, Massachusetts, Iowa and Missouri followed in order. New York, which ranks second only to Wisconsin in actual number of credit unions, is well down on the per capita list with one credit union to each 33,568 residents.

Considering Federal credit unions alone the District of Columbia also led by a wide margin, followed by Connecticut, Idaho, California, Maine, Indiana. etc.-which indeed is mixing them up properly. As this list indicates, Federal credit unions are distributed over the country fairly evenly in proportion to population. Further analysis, however, shows that the point can not be stressed too strongly, as there is actually a certain concentration in the industrial northeast. If we blocked out a section including Ohio, West Virginia, Maryland, the District of Columbia and all states north and east of those named we would find onehalf the Federal credit unions included in the area, although it has only about 37 percent of the population.

Now that a number of Federal credit unions have passed the \$50,000 mark in assets and have a membership roll of 1,000 or more certain problems in accounting are arising. The Credit Union Section has been devoting attention to new methods of procedure for large Federal credit unions. One of these is the plan for setting up subsidiary controls in the monthly check of the individual share and loan ledger against the general ledger accounts. Through such controls er-

rors can be localized and much time may be saved when the totals in the two ledgers fail to agree. Other methods of simplifying the treasurer's accounting labors are being studied.

Members of credit unions who have purchased the maximum amount of shares permitted to any one shareholder and who still want to use the credit union for saving often inquire as to good investments for their credit union funds. "Baby bonds" furnish an attractive outlet for these surplus savings funds. Recognizing that the purpose of the credit union, to encourage saving, was directly in line with that of the "baby bonds' (their official name is United States Sayings Bonds), the Secretary of the Treasury has designated a number of Federal credit unions as fiscal agents of the Federal Government for the purpose of receiving applications for these bonds from credit union members, accepting payment for them and delivering them to buyers. Only those Federal credit unions with a membership of 500 or more will be accorded this privilege, and they may sell only to their own members.

One of the recognized needs of the credit union movement is a system for collecting and compiling statistics of credit union operation. Magnificently led by Wisconsin, several states have published excellent summaries and even detailed tables of credit union business, but no figures are to be had which will give a clear-cut picture of the whole movement in the United States.

The Federal government has materially reduced the area of the unknown by setting up a good system for keeping track of all essential operations of Federal credit unions. All Federal credit unions are required to make full reports covering each quarter. Figures from these reports furnish the basis for tables showing the combined standing of these organizations at the close of each quarter, and thus the progress of the whole movement on the Federal front can be followed with reasonable closeness. The totals will always be slight understatements, as some reports will always be slow in coming in and some others will not be complete, but they will be close enough to 100 percent for most practical purposes.

While the subject is up we may mention that figures for the June quarter have been compiled, and a comparison with the March quarter will show how effectively they may be used. They cover returns from 1200 Federal credit unions.

At the close of the June quarter 1519 credit unions had been chartered, but most of the 319 not included in the returns were too new to report business.

These 1200 Federal credit unions reported 204,000 members, about 42,000 more than in the March quarter. The combined share balance on June 30 stood at \$4,695,000 as compared with \$3,337,-000 on March 31. Thus the average saving increased from \$21 to \$23. Loans outstanding took a big jump in the second quarter, totaling \$3,952,000 on June 30 as against \$2,672,000 in March. Total loans made since organization stood at \$8,474,000 in June and \$5,565,000 in March, showing that nearly \$3,000,000 was loaned during the quarter. The amount charged off for bad loans from the beginning up to June 30 stood at \$4,488, or about five one-hundredths of one percent.

Out of over 1600 treasurers of Federal credit unions all but about 150 have sent in their bonds for review (see the September BRIDGE). A considerable number were found not to afford the full protection to credit union members contemplated by the law, and they are being corrected. Use of the standard form of faithful performance bond now prescribed by the Farm Credit Administration will assure such protection.

. . .

Federal credit union investigators are finding chapters more and more helpful to them in their field work. Their first act on arriving in a locality where a chapter has its headquarters is to call on the officers and in a few minutes talk become acquainted with the local situation. In return for service of this kind the investigator is in a position to follow up leads which the local men do not have time or facilities to attend to, and in numerous other ways help the credit union movement along in the region concerned. It would be helpful indeed, both to visiting credit union workers and to the communities themselves, if these chapters could be dotted so thickly over the map that fieldmen could count on finding one in every important center visited.

Two Splendid Summaries

WE HAVE A fine summary of the Kraft Credit Unions as of June 30th—thirteen of them with 2179 members (an increase of 295 in six months) and resources of \$98,471, a neat increase of \$33,540 over the figures of six months ago. They have made 3,801 loans, totaling \$288,509.

At about the same time we got a summary statement of six credit unions within the Humble Oil & Refining Company, which units are located at Houston, Luling, Ingleside, Baytown, Longview and another at the Division of Sales at Houston. They show total assets of \$84,244, have made 1,454 loans, totaling \$154,298. We are proud of the credit union development within major industrial groups.

Chapter Organization Forges Ahead

Isn't it just a little startling? This map alongside, we mean. Study it a little, and if you feel mathematical, count the dots upon it. If no one has made a mistake, there should be 122 of them. Each one shows the location of a separate credit union chapter, and most of them represent chapters still in the first year of their existence. A year ago there were hardly more than a good round dozen.

The rapid growth of chapters is a logical development growing out of the similarly rapid spread of credit unions themselves in the last two years. In this period some 2000 new credit unions have been established. Conservatively estimating the number of new directors and committeemen at 10 per credit union we have at least 20,000 new officials charged with the responsibility of operating a kind of association with which very few of them are fully familiar.

Where can these 20,000 men and women turn for guidance? The dozens of credit union publications are of much help, but after all it is personal contact that counts, and the chapter is an excellent medium through which such contact can be maintained. That is one of the big reasons why the chapter idea is gaining such headway.

As the map shows, the great majority of existing chapters are located in the eastern part of the country. This is where the credit unions, in general, are most thickly scattered. But that does not mean that chapters require a concentration of many credit unions in a given area to function successfully. On the contrary there are many communities throughout the great open spaces of the west which can set up flourishing chapters, even though they may be made up of only four or five credit unions.

The map shows the chapter situation at the end of August. But chapter organization is going ahead so rapidly that the map may already be a bit out of date when it meets the eyes of the readers of this issue of the BRIDGE. At this writing twenty-five states are listed as having chapters, New Jersey and Wisconsin leading with nine each. But other states are close behind and may soon pass the present leaders of the procession. The accompanying list shows where the present chapters are located. Officers of all credit unions in each of these cities will be welcome guests at any monthly chapter meeting.

The names and addresses of chapter officials can be obtained either from CUNA or from the Credit Union Section, Farm Credit Administration, at Washington, D. C.

You may have a Chapter not yet reported in; if so be sure and let us know about it.



CREDIT UNION CHAPTERS

California: Fresno Los Angeles Oakland

Sacramento San Francisco Stockton

Connecticut: Waterbury

Florida: Jacksonville Miami Tampa

Georgia:
Atlanta
Athens
Augusta
Columbus
Macon
Rome
Sayannah

Tifton
Illinois:

Chicago
(north side)
Decatur
East Moline
East St. Louis
Elgin
Peoria

Indiana:
Evansville
Fort Wayne
Gary
Terre Haute

Iowa:
Davenport
Des Moines
Dubuque
Mason City
Sioux City
Waterloo

Kansas: Dodge City Kansas City Wichita Kentucky: Ashland Louisville Newport

Louisiana: Baton Rouge New Orleans

Massachusetts:
Boston
Brockton
Fall River
Lawrence
Springfield
Worcester

Michigan:
Ann Arbor
Battle Creek
Buchanan
Detroit
Flint
Grand Rapids
Lansing
Munger

Minnesota:
Austin
Albert Lea
Duluth
Minneapolis
St. Cloud
St. Paul

Missouri:
Carthage
Joplin
Kansas City
Moberly
St. Joseph
St. Louis
Springfield

New Jersey:
Asbury Park
Camden
Elizabeth
Jersey City
Newark
New Brunswick
Passaic

Paterson Trenton New York:

Albany Buffalo Brooklyn New York Rochester

North Carolina: Asheville Charlotte

Ohio:
Akron
Cincinnati
Cleveland
Columbus
Dayton
Toledo

Youngstown
Pennsylvania:
Bradford
Erie
Harrisburg
Philadelphia
Pittsburgh

Tennessee: Chattanooga Kingsport Knoxville Memphis Nashville

Texas:
Fort Worth
Houston
Port Arthur

Virginia:
Norfolk
Richmond ,
Roanoke
Washington:
Seattle
Spokane

West Virginia: Charleston Clarksburg Huntington

Wisconsin:
Appleton
Fond du Lac
Janesville
Kenosha
La Crosse
Madison
Marinette
Superior
Waupun

POEM of the MONTH

GOD'S DREAMS

Dreams are they—but they are God's dreams!

Shall we decry them and scorn them? That men shall cease from their hating, That war shall soon be abating,

That the glory of kings and lords shall pale,

That pride of dominion and power shall

fail, That the love of humanity shall prevail— Dreams are they all,

But shall we despise them? God's dreams!

> Thomas Curtis Clark, in "Poems of Justice."

Harry F. Ingram

THE PASSING of Harry Ingram of Little Rock removes the outstanding Arkansas credit union pioneer and makes a break in the ranks of our National Board which it will be hard to fill. Harry, at the age of fifty-four, died recently at the Little Rock Hospital after an illness of three months. We knew that he was ill but had no intimation of the seriousness of his illness and his death comes as a great shock to all of us. I first met Harry when I was cooperating with the Personnel Department of the Rock Island Lines to organize the considerable group of fine credit unions which serve thousands of the employees of the Chicago, Rock Island & Pacific Railroad Company. Harry headed up the group at Little Rock, Arkansas. Not content with the development of a fine, typical credit un-



ion, Harry become interested to extend the service of the credit union to other folks in Arkansas. He organized many credit unions and was top man in the organization of the Arkansas League.

He was elected first National Director from Arkansas, participated actively in the Kansas City meeting in January of 1935. He was a member of the National Board at the time of his death.

It has always seemed to me that the secret of a successful life is not to be found in its duration. Nor is a fair measure of it the success of the individual concerned in material things. We come into this world with certain potential assets, certain capacities for service which sometimes, because the pursuit of material things is so fascinating in itself, we fail to develop at all. Some men, however, place the business of serving their fellows above all material considerations. At the end of such a life we find that he has beautified and decorated the way of it with disinterested service.

Harry Ingram was such a man.

Why Not the Radio?

W. G. STANTON

A LERT MEMBERS of the Founders' Club will find opportunities to put in good licks for the cause by keeping in contact with newspaper writers and the personnel of the radio stations. But in addition to these there are various agencies of a public or semi-public nature which have access to radio time or other publicity outlets and sometimes find difficulty in keeping up a continuous flow of material.

In St. Louis we have a daily news commentator feature sponsored by a local packing company and presented by a popular news editor for the Columbia Broadcasting Company. One morning the writer was seized with an impulse to talk to this speaker, Mr. Harry W. Flannery, and telephoned the radio station just as Mr. Flannery went off the air. Somewhat to his surprise, he got Flannery on the 'phone and very quickly informed him that he had material with human interest relating to credit unions which he thought might be useable in a news broadcast. He offered to go to Flannery's office, but instead Flannery insisted upon coming to his office and after a very pleasant visit agreed that there was material that he could use to good advantage and promised to do so. Weeks went by during which it began to appear that Mr. Flannery had forgotten about credit unions altogether; then one morning he devoted almost all of his fifteen-minute period to describing these institutions.

On another occasion the local office of the National Emergency Council, directed by Mr. Robert K. Ryland, invited the president of the St. Louis FCA Federal Credit Union to talk on the general subject of credit unions. Since Mr. O. L. Baxter, the president, happened to be going out of town, he turned the assignment over to the writer. It developed that there were two periods to be filled-one of 10 minutes on radio station WIL and the other 5 minutes on KSD, a unit of the National Broadcasting Company. The speeches had to be written out in advance in order to determine the proper time, and, in the case of the National Broadcasting station, to permit censoring. Although the National Emergency Council is a Federal agency and the time was available particularly for Federal credit union discussion, the writer elected to stay on general topics to avoid the danger of possibly conveying an impression to uninformed listeners that there was any difference between the aims of the Federal credit unions and the State units.

Three evenings were spent with a file of copies of the BRIDGE and "Cuna Emerges," in an effort to develop something different from the stereotyped exposition of what a credit union is. The results are shown in "Credit Union Paradoxes," which was delivered in the 10-minute period on WIL, and "Rural Credit Unions," which occupied five minutes on KSD. We shall reproduce these broadcasts in later BRIDGES.

EXTRA! EXTRA!

The Bridge Rates An Office

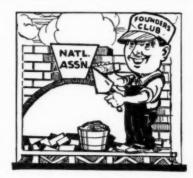
HITHERTO the BRIDGE has been edited. written, proof read, etc., etc., etc., from the office of the Managing Director of CUNA-and all its material, pictures, cuts, etc., have been getting all mixed up with the general mail. Besides the Managing Director's office is at the end of the long corridor on the first floor of Raiffeisen House (with the door always open, for this is the house of credit union members, the home of the credit union movement where any and all of the 1,100,-000 credit union members will find the Managing Director's door always open) and it's difficult to write BRIDGE copy when there is so much interruption.

So we moved the CUNA Mutual Society into some larger and better rooms in the rear of the up stairs, and that gave us a room for the BRIDGE office. We have a home at last-a cave of our very own, where Al Lowe can hang up his hat and Bridget Burns will feel at home when she drops in with copy. You would be vastly amused if you could see the way it is furnished. The BRIDGE, you know, at this stage is broke-deep in the red-and struggling for enough subscriptions to break even the first year. It has no paid personnel and when it came to buying furniture-we had to use ingenuity. First we needed a file for pictures, letters, etc. We couldn't get out of buying that so we got a cheap one and borrowed the money of the National Association. Next we needed a cut file and we shopped around until we found a local dealer who sold files who has also a second hand department where we discovered, all dusty and falling apart in a corner, a seventeen drawer cut file. I guess it was the one which the printer of the first Madison newspaper of a hundred years ago had. We dickered and got the cut file for nothing by buying the letter file. Next we needed a typewriter table. We found at the same place an old school table with adjustable legs, fine for holding a typewriter, with lots of room on either side for papers and we finally dickered that down to five dollars. We bought a sample chair for one buck to go with it. Then, for decoration, we raided the local five and ten and got some excellent picture frames for an average cost of twenty cents and so you will find when you visit the BRIDGE the walls covered with pictures, cover drawings, etc., which we have used from time to time. The typewriter problem was bothersome until I brought in my old Remington.

When we hit 25,000 and begin to get some advertising we shall install the BRIDGE Tender as the first permanent BRIDGE employee and she will have charge of the office.

And I'll bet any doubting Thomas a dollar against a doughnut—that the BRIDGE five years from now will be one of the most valuable assets of the National Association.

It's up to YOU-to make it so!



News of the Founders' Club

FIRST I START with a very confidential communication to the members of the Founders Club.

Dear Members:

You number 306. That means that 306 credit union members have been instrumental in organizing new credit unions. That's good! Very few, if any, of them have lined up thus far in the Organization Contest! That's bad!!! Most of you are eligible to the Contest as the only ineligibles are those who are paid to do credit union work. You have had experience, and you should be easily able to qualify for some one of the very rich prizes offered for individual effort and to help your State League get the big prize offered for the best showing in a given State. Soon I am going to write you all a very special letter urging you all to get busy. Now is the best time in history for rapid credit union development. It's in the air! Let's prove that the old Founders Club-three hundred strong-means something-let's go out and bring in a rich harvest of new credit unions-let's get 'em into our Leagues and help build thereby the Leagues and CUNA-and let's bring home the bacon by winning the prizes. Come on, fellow members of the Founders Club-let's step on the gas!

Fraternally yours.

My Heyengund

We have only four initiates, all of whom we are very glad to welcome. First comes 303-Ernst H. Ludwig, Jr., of the Stewart Warner Alemite Credit Union who breezes in with the St. Alphonsus Credit Union of Chicago. Thanks and welcome, Mr. Ludwig. From Missouri comes No. 304—Oren W. Blackwell of the Overland Mutual Credit Union of Overland, Missouri, who gives us the Public Service Credit Union of St. Louis. Thanks again; and we will jump to Alexandria, Louisiana, to watch H. H. Foord of the Postal Credit Union while he organizes the Alexander Telephone Credit Unions. Greetings to Mr. Foord. We close the class with Frank Tokay-new high number - 306 - of the Donora Wire Works FCU who brings in the C. I. S. Employees Clairton Works FCU. Hearty congratulations and many thinks!

Let's not forget the Organization Contest.

More About Ethics

As YOU know we are working out an ethical code for credit unions. We are very happy to have for this issue a contribution to the Code made by J. C. Howell (National Director from Michigan) who is a member of the Code Committee.

A CODE OF ETHICS FOR CREDIT UNIONS

By J. C. HOWELL

BEING EVER MINDFUL of the fact that the purposes of a Credit Union are to encourage thrift and to make loans available for provident and productive purposes:

THE ETHICAL CREDIT UNION will see to it that the interest charge is not so burdensome as to discourage borrowing for legitimate purposes; that it is sufficient to carry the reasonable cost of conducting the organization; that it will make it possible to pay such returns on shares and deposits as to encourage thrift and attract to the Credit Union sufficient funds to meet the needs of the borrowers; that it will be able to build up reasonable reserves so that in an unexpected emergency the usefulness of the credit union will not be impaired or the confidence of its members disturbed; and that it will not encourage improvident borrowing.

THE ETHICAL CREDIT UNION will so safeguard its loans as to protect its depositors and investors from loss while making it possible for a conscientious member to secure a needed loan.

THE ETHICAL CREDIT UNION will endeavor to pay a just rate of return on deposits and shares so that its supply of available funds may be reasonably stable and regular.

THE ETHICAL CREDIT UNION will endeavor to maintain in its membership a high standard of cooperative effort for mutual benefit.

THE ETHICAL CREDIT UNION will refrain from activities which will cause embarrassment to the employer or to the industrial or social group within which the credit union exists, but will steadfastly resist domination from any source outside its own membership.

THE ETHICAL CREDIT UNION, while seeking the broadest possible interpretation of its charter for the benefit of its members, will cooperate cheerfully and sincerely with the governmental supervising agency through which its charter is obtained. It will seek to eliminate distrust and to inspire the confidence and respect which it should deserve.

THE ETHICAL CREDIT UNION will assist in the formation of other credit unions, in the protection of those already existing, and in the dissemination of knowledge concerning the credit union movement. To this end it will participate whole-heartedly in the support of its local chapter, State League, and the Credit Union National Association.

An Interesting Question

WE GOT THIS from a credit union treasurer who writes that it is a verbatim conversation, which he overheard, of two members of his credit union. "It summarizes very neatly," he writes, "the credit union idea, with the implications of individual obligation to the group. I don't know how it came out but it raises an interesting question." Here is the conversation as he overheard it.

Smith speaking: "I'm going to draw out my savings and buy a season ticket to the University athletic games. I've got just enough."

Jones speaking: "Oh yeah? The Treasurer ain't gonna let you!"

Smith: "He can't help himself."

Jones: "No—but he can close your account and not let you put any more in." Smith: "I should cry over that. It's

my money."

Jones: "And if the Treasurer hadn't chased you all over to tag you for a quarter every week, you wouldn't have that money now, would you? You think he's keeping books for you and being responsible for your money for five months just so that you can buy a football ticket with it?"

Smith: "What does he care what I do with it?"

Jones: "He's doing all this collecting and bookkeeping so's you'll have something saved when you really need some dough. Suppose your wife's gonna have a baby and you need the dough for the hospital and doctor. You know where you'll figure on getting it. It'll be the jack the rest of us have saved up. Ain't it so? Then suppose my wife's gonna have a baby and I need to borrow. Can I borrow some of your savings? No! You done spent yours for a football ticket. If you won't leave any change around for me to use when I get in a clutch—why should I let you borrow some of mine?"

Smith: "Oh!"

Jones: "Well, what are you gonna do?" Smith: "I dunno—I'll see!"

I've been thinking over that one a whole lot. There is a sound credit union principle in it for in the credit union above all other places it's a case of "all for one and one for all."

Here's what it says on page 1 of the very swell Souvenir Program which the Florida Credit Union League published in connection with the party which celebrated Mr. Rhodes' visit:

"We, the credit unions of Florida, welcome you, Mr. Rhodes, to our State. We feel highly honored that your first visit to Jacksonville is an occasion in which we have a part and assure you that we deeply appreciate your presence. We promise to keep your inspiring influence with us always."

This most pleasant welcome was signed by George Gross, National Director from Florida.

VISITORS



OUR VISITORS fell off a bit through September due, doubtless, to the end of the vacation season. You would have been surprised at the number of folks who found their way up here in July and August, and we hope that it means that more and more credit union members will, during vacation time particularly, include beautiful Madison in vacation itineraries.

However I note that fifty-four of the brethren looked in on us during September. They came from Missouri, Wisconsin, Minnesota, Illinois, Washington, D. C., Montana, Colorado, Massachusetts, and also from Finland as it was our great privilege and pleasure to entertain for two days J. D. Rangell of Helsinki, Finland, head of the great central cooperative bank of the Finnish cooperatives, whose visit was greatly enjoyed by our entire staff at Raiffeisen House.

We started the month with Mr. and Mrs. Paul Roberts of St. Louis. Mr. Roberts manages the large and important credit union of St. Louis policemen. Then from Superior, Wisconsin, came Mr. Paul F. Carow of the Fire Department and Mr. James T. Power of the Northland Credit Union. Our Treasurer, Charles G. Hyland, of West Allis, Wisconsin, dropped by to see how we were behaving at various times during the month. Marjorie H. Hill and her mother (Miss Hill works in the Minnesota League office) also came this way and from St. Louis another very welcome party consisting of Mr. and Mrs. W. W. Warner (of the pioneer Western Union Credit Union) and Mr. and Mrs. Fred G. Shindler, also important in the St. Louis Chapter.

Alvin Gillett of the Madison Associattion of Commerce registered one day and we were all better for his cheery visit. From Detroit came Mary Louise Rumsey and from East Chicago, Mr. P. J. Glower of the Grasselli East Chicago Credit Union. About the same time Joe De-Ramus of the Illinois League came in and we sure were glad to see him, along with E. G. Cort of the Midland Cooperative Oil, George Feller, President of the Minnesota Credit Union League, George W. Jacobson, a Director of the Minnesota League, and Managing Director Cliff Skorstad from Minneapolis.

George L. Conover from Kansas City spent a few happy days with us. He is also a credit union examiner in Missouri. Pres. Holmes, President of the Illinois League, and the Missus and Presley Jr. and Priscilla brightened our particular corner one Saturday and Margot Buss came up to see us from Milwaukee. Emil W. Hokanson, also of Milwaukee, was another most welcome visitor (as are all the folks who come to Raiffeisen House) and Ben Hillebrandt, Managing Director of the Missouri League got up to see us. W. C. Tomkins of the credit union at the Oscar Mayer Packing Company made us a call and one day we were able to get Tom's wife to give us her signature. She maintains that she comes in so often that she'd fill the book if we insisted that she register each time-which isn't so as she doesn't come half enough. We were also honored by a visit from C. R. Orchard, head of the Federal Credit Union Sec-

The Wisconsin-Michigan-North Dakota Federal organizer, Joe Blomgren, looked us over (Joe is doing a great job in this neck of the woods) and Mary Rentfro came in with Uncle Earl-all the way from Arlee, Montana. From Denver, Colorado, we were most happy to welcome W. H. McNick and from Kansas City, Miss Ann Stukli. We also got Earl's wife-the good Queen Bess-onto our books for a single signature. My daughter and her pal, Cree Kerr from Gloucester, Massachusetts, took pen in hand one day to prove they can write and Al Mickelson, one of our Madison leaders, also signed up while calling on us. Arthur Tomlinson came in from Poynette, Wisconsin, and E. J. Francione from Mil-

H. E. Johnson and Arthur N. Lowe, both of Madison, registered at about the same time we were entertaining Mr. and Mrs. Paul E. Sleeper of Minneapolis and Dr. Paul Solem, a director of the Minnesota League. From Appleton came Lynn Matteson and from Gloucester, Massachusetts, a fair bevy of BFGs-Margaret A. Kerr, Priscilla Bergengren and Eleanor B. Dustin. T. H. Bloomfield came in to sell us some more printing equipment from Milwaukee and we were happy to have Leo Saari and A. W. Nokkola of the fine credit union at the Waukegan Cooperative as guests for a too short visit. Prof. Henry H. Bakken dropped in from the University with a charming young Chinese student, S. H. Tsui, who is in this country studying cooperative effort. The month closes with another visit from Cliff Skorstad and Charley Hyland. Not so many as in the good old summer time but enough good credit unionists to prove we are not forgotten.

Federal Credit Unions

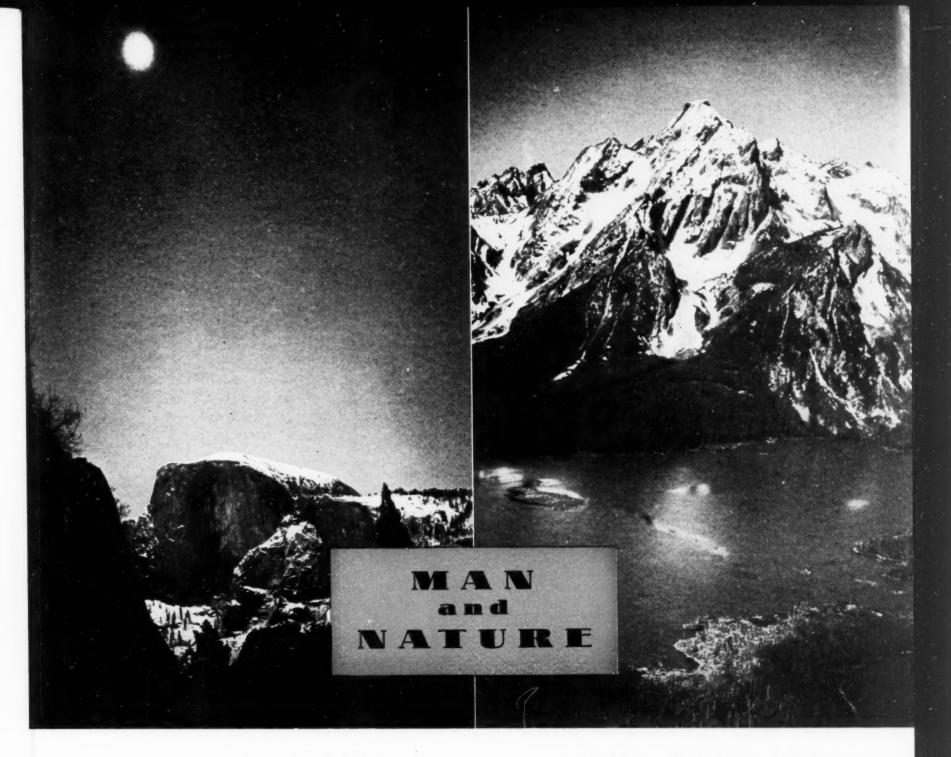
| Distribution by type of membershi Type Num | |
|---|-------|
| Associational (120) | 0.0 |
| Cooperatives | 28 |
| Fraternal and Professional | 53 |
| Religious | 28 |
| Labor Unions | 11 |
| OCCUPATIONAL (1,507) | |
| Amusements | 5 |
| Automotive Products | 18 |
| Banking and Insurance | 28 |
| Beverages | 4 |
| Chemicals and Explosives | 20 |
| Construction and Materials | 26 |
| Educational: | |
| Colleges | 10 |
| Schools | 102 |
| Electric Products | 51 |
| Food Products: | 91 |
| Bakery, Grocery and Produce | 29 |
| | 32 |
| Dairy | |
| Meat Packing | 35 |
| Other | 13 |
| Furniture | 6 |
| Glass | 12 |
| Government: | |
| Federal | 203 |
| Local | 71 |
| State | 36 |
| Hardware | 9 |
| Hotels and Restaurants | 29 |
| Laundries and Cleaners | 11 |
| Leather | 10 |
| Machine (heavy) Manufacturers | 31 |
| Metals: | |
| Aluminum | 16 |
| Iron and Steel | 57 |
| Other | 14 |
| Paper | 16 |
| Petroleum | - |
| Printing and Publishing | 201 |
| Newspapers | 39 |
| Other | 25 |
| Public Utilities: | 20 |
| | 60 |
| Heat, Light and Power | |
| Telegraph | 13 |
| Telephone | 24 |
| Rubber | 11 |
| Stores | |
| Textiles | |
| Tobacco Products | . 1 |
| Transportation: | |
| Aviation | |
| Bus and Truck | 14 |
| Railroads | 66 |
| Other | |
| Miscellaneous | 35 |
| Residential (47) | |
| Rural Community | 35 |
| Urban Community | 12 |
| TOTAL | 1,674 |
| | |

Wisconsin Progresses

We have a recent report from the Wisconsin State Banking Department showing the comparative figures as of June 30, 1936, and December 31, 1935.

| 30, 1936, and I | December 31, | 1935. |
|-----------------|--------------|-------------|
| | Dec. 31, | June 30, |
| | 1935 | 1936 |
| Resources | \$2,914,467 | \$3,752,863 |
| Loans | 1,841,430 | 2,571,680 |
| The increase | in resources | for the six |

months was \$838,396.



Man, like all other forms of physical life, depends on nature—on the sun for warmth, on the cooling breezes, on water to quench his thirst, on the fertility of the soil and its response to his labor.

And from nature man gets his strength, for it is as he struggles to win nature to his side in the battle for existence, that he grows strong.

"I will look unto the hills," cried the prophet of old, "whence cometh my help." That inspiration of the hills comes from an appreciation of eternal strength.

For man lives two lives, and each life has many manifestations. All that you have to do to appreciate that fact is to think of yourself in relationship to your home, your job and those who are your co-workers, your political affiliations for example. Some one has said that we are, each of us, three persons—the man I know, deep in the individual heart where there is no chance for deception, I am; the man those who think they know me think I am; the man I would like to be. Our first life is the life of self—the urge to get ahead—to do the chores immediately at hand—to get a share of what there is for myself and my family. That is a necessary life.

But there is a larger life—a second manifestation—and that, like the mountain, has to do majestically with eternal things. That part of life can be the best of all—it can lift us out of the disappointments of the self life. For you and I, any way you figure it, will live but a little span of years. Mount Ranier looked down in all its hoary splendor on the first Indian and then on the first white man and then, with majestic toier-

ance, on what the white man did with his domain. In has been there while nations have their little day and will be there long after you and I have said our exit line.

What can we do that, like the mountain, we will live forever? It seems to me that the answer is simple. We come into this world with certain capacities for service—certain assets—and many inherited and acquired liabilities. Our job is to cultivate the assets and to eliminate the liabilities—to relate ourselves to life in such fashion that at the end—as we look to the last sunset and wonder where the sun will rise again—we may comfortably intrust our souls to whatever there may be beyond.

The credit union treasurer who is performing faithful service has caught this sense of his relationship to the eternal. He is giving of himself and "he who gives of himself feeds three—himself, his hungering neighbor and Me." His service, day by day, reaches into the lives of his fellows; it enriches the lives of those who it is his privilege to serve. It broadens his horizons and relates him to things which are everlasting. For you may be sure that no good impulse died. No good service, faithfully and courageously rendered, ever ends.

So credit unions collectively link themselves to the eternal struggle which man has been engaged in from the beginning—that in the end he might be free—that he might conquer his environment—that he might make perfect his institutions. We in the Credit Union National Association have a responsibility so great that it would be appalling were it not for the fact that we are developing men and women who sense their opportunity, their relationship to the eternal.

Contact Directory

To contact the Credit Union National Association ,the Cuna Mutual Society, the Printing and Supply Department, the BRIDGE or any State not listed below, address: Credit Union National Association, Raiffeisen House—Madison, Wisconsin

To contact the Federal Credit Union Section address all communications to: C. R. ORCHARD, *Director*, Credit Union Section Farm Credit Administration, Washington, D. C.

Mr. Orchard will refer your inquiry to the Field Representative in your District. For this purpose the United States is divided into nineteen districts with a well qualified resident field secretary in each District and prompt cooperation is assured.

To contact the State Leagues address:

| State | Managing Director | Address |
|--------------------|--------------------------------|--|
| Alabama | CLYDE C. PARKER | Address1242 Brown-Marx Bldg., Birmingham |
| rizona | WILLIAM OLDEWAGE | 20 East Second St., Tucson |
| rkansa | VACANCY | |
| California | JOHN L. MOORE | P. O. Box 964, Oakland |
| Colorado | FRANK L. HAYS | City Hall, Denver |
| Connecticut | L. R. NIXON | Senior High School, New Britain |
| District of Columb | bia D. ROLAND POTTER | 253 Senate Office Bldg., Washington, D. C. |
| Florida | GEORGE A. GROSS | City Engineer's Office, Jacksonville |
| Georgia | Moses C. Davis | -302 Federal Annex Building, Atlanta |
| Illinois | JOSEPH S. DERAMUS | 332 So. LaSalle St., Chicago |
| Indiana | G. A. MILLET | 926 No. Pennsylvania St., Indianapolis |
| lown | A. NEAL HUTCHINS | 510 Securities Bldg., Des Moines |
| Kansas | M. V. SIMPSON | 521 S. Madison St., Wichita |
| Kontucky | GARFIELD SEIBERT | 2817 Field Ave. Louisville |
| Louisiana | L. EMORY SMITH | U. S. Post-Office, Baton Rouge |
| Maryland | JAMES D. M. MARQUETTE_ | 803 Venable Ave., Baltimore |
| Massachusetts | RICHARD L. COURTENAY | Room 23, 5 Park Sq., Boston |
| Michigan | KARL GUENTHER | 19303 Centralia, Redford Station, Detroi |
| Minnesota | CLIFFORD O. SKORSTAD | 1954 University Ave., St. Paul |
| Miggieginni | P. P. McGEE | 1618 25th Ave., Vicksburg |
| Miccouri | B. F. HILLEBRANDT | 1330 Baltimore Ave., Kansas City |
| Nohracka | G. W. BOYD | 3502 Harrison, Omaha |
| Now Jorgey | G. G. GUDMUNDSON | 160 Lincoln Ave., E. Roselle Park |
| North Carolina | H. M. RHODES | U. S. Post-Office, Raleigh |
| Ohio | CLAUDE E. CLARKE | 1940 East 6th St., Cleveland |
| Oklahoma | HANEY HOSKINS | Armour and Company, Oklahoma City |
| Oregon | HUGH G. STOUT | 307 Studio Bldg., Portland |
| Pennsylvania | JAMES W. COPLEY | 504 Delaware Ave., Oakmont |
| Phodo Island | AMOS L. LACHAPPELLE | 301 Main St., Pawtucket |
| South Carolina | J. GORMAN THOMAS | Rt. I. Box 187. Charleston |
| Tennessee | R. E. RAU | The Mead Corporation, Kingsport |
| Toyes | VACANCY | |
| IItah | KARL S. LITTLE | 865 Amanda Ave., Salt Lake City |
| Winninin | E I. ETELD | II S Post-Office Richmond |
| 117 1 1 | PAUL A. BOBERG (East) | U. S. Post-Office, Spokane |
| Washington | C. A. ANDRUS (West) | City Light Bldg., Seattle |
| Wisconsin | JOSEPH A. KUEMMEL | U. S. Post-Office, Spokane City Light Bldg., Seattle 259 East Wells St., Milwaukee, Wis. |
| To establish th | e right contact in any other S | State apply to the National Association |

PROGRESS REPORT!

The CUNA Mutual Society (loan protection insurance) announces:

- 1—A total of new coverage in September of over \$2,000,000 in a single month!
- 2—A total of more than 25,000 new loans insured in the one month of September!
- 3—The increasing popularity of the AA policy whereby the credit union insures all its monthly loan balances, paying for the insurance out of its earnings and giving the borrower the protection of loan insurance without additional charge to him.

Operating 14 months—with a total coverage of over \$15,000,000—all claims paid promptly and its funds invested in United States government bonds.

Not for Profit-Not for Charity-But for Service

Cuna Mutual Society

Raiffeisen House

Madison, Wisconsin

A Mutual Life Insurance Company operating under the insurance laws of the State of Wisconsin

The Primary Job

of the Credit Union National Association is to extend the credit union to the millions who need it!

Therefore:

The Contact and Organization Department

THOMAS W. Doig, Manager Raiffeisen House, Madison, Wisconsin

This Department is equipped to assist in the organization of State Leagues and Chapters and to help anyone any place to organize a new credit union without charge direct or indirect, continuing thereby the credit union movement as originated in 1909 by Edward A. Filene and financed by him until the organization of the Credit Union National Association (of which organization he is a National Director) in 1934.

Solely for Service

The Contact and Organization Department Raiffeisen House Madison, Wis.

CUNA EMERGES

The second edition of "CUNA Emerges," the historical summary and textbook of the credit union movement, is now available—price \$1.00 per copy. Apply to the Credit Union National Association, Raiffeisen House, Madison, Wisconsin.